CIN No. : L26943RJ1979PLC001935

: 01462 228101-6 Toll Free: 1800 180 6003 / 6004 01462 228117 / 228119

E-Mail : shreebwr@shreecementltd.com

Website: www.shreecement.in



# SHREE CEMENT LTD







Regd. Office: BANGUR NAGAR, POST BOX NO.33, BEAWAR 305 901, RAJASTHAN, INDIA

SCL/BWR/SE/2019-20/ 16<sup>th</sup> July, 2019

### FAX NO. 022 - 26598237 / 26598238

National Stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (East) MUMBAI - 400 051 **SCRIP CODE: SHREECEM EQ** 

### FAX NO. 022-22722041 / 22722061

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, MUMBAI - 400 023 SCRIP CODE 500387

Re:- Notice of the 40th Annual General Meeting and Annual Report for the year ended 31st March, 2019

Dear Sirs,

In terms of the provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of the Notice of the 40<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 9<sup>th</sup> August, 2019 at "Rangmanch Auditorium", Bangur Nagar, Beawar - 305 901, District Ajmer (Rajasthan) at 11.30 A.M., together with the Annual Report for the financial year ended 31st March, 2019.

Kindly find the same in order.

Thanking you,

Yours faithfully,

For SHREE CEMENT LIMITED

(S.S. KHANDELWAL) **COMPANY SECRETARY** 

Encl: As above

JAIPUR OFFICE: SB-187, Bapu Nagar, Opp. Rajasthan University, JLN Marg, Jaipur-302 015 Phone: 0141 4241200, 4241204, Fax: 0141 4241219

NEW DELHI OFFICE: 122-123, Hans Bhawan, 1, Bahadurshah Zafar Marg, New Delhi 110 002

Phone: 011 23370828, 23379218, 23370776, Fax: 011 23370499

CORP. OFFICE: 21, Strand Road, Kolkata 700 001 Phone: 033-22309601-4 Fax: 033 22434226



### SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 Fax: +91-1462-228117/119
E-Mail: shreebwr@shreecement.com Website: www.shreecement.com

CIN: L26943RJ1979PLC001935

### **NOTICE**

**NOTICE** is hereby given that the 40<sup>th</sup> Annual General Meeting of the Members of **SHREE CEMENT LIMITED** will be held at the Registered Office of the Company at "Rangmanch Auditorium", Bangur Nagar, **Beawar – 305 901, District: Ajmer (Rajasthan)** on Friday, 9<sup>th</sup> August, 2019 at 11.30 A.M., to transact the following businesses:-

### **Ordinary Business:**

- 1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and Auditors thereon; and
  - the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Report of the Auditors thereon.
- To confirm the payment of Interim Dividend of ₹ 25/per Equity Share of the Company for the financial year
  ended 31<sup>st</sup> March, 2019.
- To declare final dividend on the Equity Shares of the Company for the financial year ended 31<sup>st</sup> March, 2019.
- 4. To appoint a Director in place of Shri Hari Mohan Bangur (DIN: 00244329), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

### **Special Business:**

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:** 

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or

re-enactment thereof, for the time being in force), the remuneration of ₹ 5,00,000/- (Rupees Five Lac only) plus taxes and reimbursement of out of pocket expenses incurred in connection with the audit payable to M/s. K. G. Goyal and Associates, Cost Accountants (Firm Registration No. 000024) who have been appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2020, be and is hereby ratified."

- 6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:** 
  - "RESOLVED THAT pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17 & 17(1A) of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, Shri Ratanlal Gaggar (DIN: 00066068), be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for second term of 5 (five) consecutive years commencing from 1st September, 2019."
- 7. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:** 
  - "RESOLVED THAT pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17 & 17(1A) of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, Shri Om Prakash Setia (DIN: 00244443) be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for second term of 5 (five) consecutive years commencing from 1st September, 2019."

- 8. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:** 
  - "RESOLVED THAT pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17 & 17(1A) of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, Dr. Yoginder Kumar Alagh (DIN: 00244686) be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for second term of 5 (five) consecutive years commencing from 1st September, 2019."
- 9. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:** 
  - **"RESOLVED THAT** pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17 & 17(1A) of the Listing Regulations (including any statutory modification(s)

- or re-enactment thereof for the time being in force) and other applicable provisions, if any, Shri Nitin Dayalji Desai (DIN: 02895410) be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, for second term of 5 (five) consecutive years commencing from 1<sup>st</sup> September, 2019."
- 10. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:** 
  - "RESOLVED THAT pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17 & 17(1A) of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, Shri Shreekant Somany (DIN: 00021423) be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for second term of 5 (five) consecutive years commencing from 1st September, 2019."

By order of the Board of Directors

S. S. KHANDELWAL

Company Secretary (Membership No. F5421)

#### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ATTACHED HEREWITH.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution passed pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Meeting.
- 3. Explanatory Statements setting out the material facts concerning each item of Special Business to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information on all the Directors proposed to be appointed/re-appointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 are provided in the **Annexure A** to this Notice.
- 4. Members/proxies are requested to bring their attendance slip along with their copy of Annual Report at the Meeting.
- 5. When a Member appoints a proxy and both the Member and the proxy attend the Meeting, the proxy stands automatically revoked.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
- 7. A Member can inspect the proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting and ending with the conclusion of the said Meeting, provided he/she has given to the Company a notice, in writing, of his intention to inspect not less than three days before the commencement of the said Meeting.

- The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 2<sup>nd</sup> August, 2019 to Friday, 9<sup>th</sup> August, 2019 (both days inclusive), for the purpose of payment of final dividend, if approved by the Members.
- The final dividend, as recommended by the Board, if approved at the Annual General Meeting will be paid on or after 13<sup>th</sup> August, 2019 to those Members:
  - (i) whose names appear as Beneficial Owners in the list of Beneficial Owners as at the end of the business hours on 1<sup>st</sup> August, 2019 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose; and
  - (ii) whose names appears as Members in the Register of Members of the Company after giving effect to valid transmission or transposition requests lodged with the Company or its Registrar and Share Transfer Agent ("RTA") viz. Karvy Fintech Private Limited on or before 1<sup>st</sup> August, 2019.
- 10. (A) In terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the Company has transferred the unpaid or unclaimed dividend declared up to the financial year 2010-11 and also the First Interim Dividend declared for Financial Year 2011-12 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
  - (B) Members may claim refund of their dividend which has been transferred in IEPF from the IEPF Authority by following the procedure as prescribed under the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time).
  - (C) The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30<sup>th</sup> July, 2018 (date of last Annual General Meeting) on the website of the Company and can be accessed through the link: http://sclepro.shreecement.com/sec/.
    - The said details have also been submitted with Ministry of Corporate Affairs and same can be accessed through the link: http://iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?meth od=qotoSearchInvestor.
  - (D) The details of unpaid dividend and last date of transfer in the IEPF are given hereunder:-

Year	Type of Dividend	Dividend per Share (₹)	Date of declaration of Dividend	Dividend Amount unpaid as on 31.03.2019 (₹ Lac)	Last date for transfer of unpaid dividend in Investor Education and Protection Fund
2011-12	Second Interim	6	15.05.2012	7.16	20.06.2019
	Final	8	16.10.2012	10.10	21.11.2019
2012-13	Interim	8	29.04.2013	11.11	04.06.2020
	Final	12	25.10.2013	16.34	30.11.2020
2013-14	First Interim	10	27.01.2014	16.54	04.03.2021
	Second Interim	12	25.08.2014	18.05	30.09.2021
2014-15	Interim	10	25.08.2014	15.03	30.09.2021
	Final	14	14.11.2015	20.03	20.12.2022
2015-16	First Interim	12	02.02.2016	16.38	10.03.2023
	Second Interim	12	10.03.2016	15.25	15.04.2023
2016-17	Interim	16	12.08.2016	21.05	17.09.2023
	One-Time Special Dividend	100	30.01.2017	123.37	07.03.2024
	Final	24	31.07.2017	30.82	07.09.2024
2017-18	Interim	20	11.01.2018	18.15	13.02.2025
	Final	30	30.07.2018	25.10	29.08.2025
2018-19	Interim	25	22.01.2019	23.61	25.02.2026

- The Members who have not yet claimed the dividend are requested to approach to the Company for dividend payment.
- (E) Members are requested to note that pursuant to the provisions of the Companies Act, 2013, Listing Regulations and the IEPF Rules, the Company is also required to transfer the shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance with the said requirements, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Such shares could be claimed from IEPF authority by filing Form No. IEPF-5 in the prescribed manner. The details thereof are available on the website of the Company and can also be accessed through the link: https://www.shreecement.com/ pages/shareholders information.php.

The said details have also been submitted with Ministry of Corporate Affairs and same can be accessed through the link: http://iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?meth od=gotoSearchInvestor.

- 11. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/ P/2018/73 dated 20<sup>th</sup> April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also required to print the necessary details on the physical instrument, if the payment is made in physical mode. Accordingly, Members are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialized form and with the Registrar & Share Transfer Agent in respect of shares held in physical form.
- 12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be available at the commencement of the Meeting and shall remain open and accessible to the Members during the Meeting.

- 13. Relevant documents referred to in the Notice are open for inspection by the Members at the Registered Office of the Company on all working days during business hours i.e. 9.00 A.M. to 6.00 P.M. up to the date of the Annual General Meeting.
- 14. Karvy Fintech Private Limited is acting as Registrar & Share Transfer Agent (RTA) for both physical and electronic form of shareholdings. All communications relating to shares should be addressed to:-

### **Karvy Fintech Private Limited**

### Unit: SHREE CEMENT LIMITED

Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032

Attn: Mr. Ganesh Chandra Patro, Senior Manager

- 15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Karvy Fintech Private Limited / Company.
- 16. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nominations is available to individuals holding shares of the Company. Members holding shares in physical form, may obtain the Nomination Form (Form SH-13) from the Registered Office of the Company or RTA or can download from the Company's website viz. www.shreecement.com under the section 'Investor Center'. Members holding shares in electronic form (demat mode) shall approach to their DP's for completing the nomination formalities.
- 17. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30<sup>th</sup> November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1<sup>st</sup> April, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares can not be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately. However, Members can continue to make request for transmission or transposition of securities held in physical form.
- 18. Non-Resident Indian Members are requested to inform RTA, immediately on:
  - (a) Change in their residential status on return to India for permanent settlement;

- (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.
- 19. The Companies Act, 2013 in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, has introduced enabling provisions for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their email ID's with the Company or its RTA and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs). If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
- 20. Copy of the Notice of the Meeting, inter-alia, indicating the process and manner of voting through electronic means along with Attendance Slip, Proxy Form and the Annual Report 2018-19 are being sent in electronic mode to the Members whose email addresses are registered with the Company's RTA/ Depository Participant(s). Physical copies of the Notice of the Meeting, interalia, indicating the process and manner of voting through electronic means along with Attendance Slip, Proxy Form and the Annual Report 2018-19 are being sent (through permitted mode) to all members of the Company. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests its Members who have not registered their email addresses so far, to register their e-mail addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
- 21. A route map and prominent landmark for easy location of the venue of the Meeting is enclosed with this Notice. Members may also note that the Notice of this Annual General Meeting and the Annual Report of the Company for the year 2018-19 is also be available on the website of the Company viz. www.shreecement.com.
- 22. Instructions for voting through electronic means (e-voting) & other instructions relating thereto are as under:
  - (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members facility to exercise

- their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The facility for voting, through polling paper shall also be made available at the venue of the Annual General Meeting. The Members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper. The Members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the Annual General Meeting.
- (iii) The Company has engaged the services of Karvy Fintech Private Limited ("Karvy") as the Agency to provide remote e-voting facility.
- (iv) The Board of Directors of the Company has appointed Shri Pradeep Pincha, Practicing Company Secretary, as Scrutinizer to scrutinize the remote e-voting in a fair and transparent manner.
- (v) Voting rights of the Members (for voting through remote e-voting or through polling papers at the meeting) shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 2<sup>nd</sup> August, 2019. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the meeting.
- (vi) Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 2<sup>nd</sup> August, 2019 may obtain the User ID and password in the manner as mentioned below:
  - (a) If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space>E-Voting Event Number+Folio No. or MYEPWD<space>DP ID Client ID to 9212993399

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

Example for Physical: MYEPWD<SPACE>XXXXSCL12345

(b) If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of https:// evoting.karvy.com, the Member may click

- "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- (c) Member may call Karvy's toll free number 1-800-3454-001.
- (d) Member may also send an e-mail request to einward.ris@karvy.com.
- (vii) If the Member is already registered with Karvy's e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- (viii) Instructions and other information relating to remote e-voting:
  - (A) In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the RTA/ Depository Participant(s)]:
    - (a) Launch internet browser by typing the URL: https://evoting.karvy.com.
    - (b) Enter the login credentials i.e. User ID and Password, provided in the e-mail received from Karvy. The E-Voting Event Number+Folio No. or DP ID or Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact tollfree number 1-800-3454-001 for your existing password.
    - (c) After entering these details appropriately, click on "LOGIN".
    - You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
    - (e) You need to login again with the new credentials.
    - (f) On successful login, the system will

- prompt you to select the E-Voting Event Number for Shree Cement Limited.
- (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cutoff date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- You may then cast your vote by selecting an appropriate option and click on "Submit".
- (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF/JPEG Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: ppincha@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "SHREE CEMENT LIMITED EVENT NO."
- (B) In case a Member receives physical copy of the Notice by Post [for Members whose email addresses are not registered with the Company / Depository Participant(s)]:

- (a) Initial User ID and Password is provided at the bottom of the Attendance Slip.
- (b) Please follow all steps from Serial No. (a) to (i) as mentioned at point no. (A) above, to cast your vote.
- (ix) The remote e-voting facility will be available during the following period:
  - (a) Commencement of remote e-voting: 9.00 A.M. (IST) on Tuesday, 6<sup>th</sup> August, 2019
  - (b) End of remote e-voting: 5.00 P.M. (IST) on Thursday, 8<sup>th</sup> August, 2019
  - (c) The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
  - (d) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e. 9<sup>th</sup> August, 2019
- (x) A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- (xi) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- (xii) In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website i.e. https://evoting.karvy.com or write an email to Shri S.S. Khandelwal, Company Secretary at khandelwalss@shreecement.com.
- (xiii) The Results of voting will be declared within 48 hours from the conclusion of the Annual General Meeting. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed and shall also be displayed on the Company's website www.shreecement.com and Karvy's website.
- 23. Your Company is pleased to provide the facility of live webcast of proceedings of Annual General Meeting. Members who are entitled to participate in the Annual General Meeting can view the proceeding of Annual General Meeting by logging on the e-voting website of Karvy at https://evoting.karvy.com using their secure login credentials.

### ANNEXURE TO THE NOTICE DATED 18<sup>™</sup> MAY, 2019

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### Item No. 5

The Board of Directors of Company on the recommendation of the Audit and Risk Management Committee had approved the appointment and remuneration of M/s. K. G. Goyal and Associates, Cost Accountants, Jaipur (Firm Registration No. 000024) to conduct the audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2020.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2020 as approved by the Board of Directors.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at item no. 5 of the Notice for approval by the Members.

### Item Nos. 6, 7, 8, 9 & 10

Shri Ratanlal Gaggar (DIN: 00066068), Shri Om Prakash Setia (DIN: 00244443), Dr. Yoginder Kumar Alagh (DIN: 00244686), Shri Nitin Dayalji Desai (DIN: 02895410) and Shri Shreekant Somany (DIN: 00021423) were appointed as Independent Directors of the Company, to hold office for a term of 5 (five) consecutive years w.e.f. 1<sup>st</sup> September, 2014 to 31<sup>st</sup> August, 2019 ('first term') in line with the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Listing Regulations.

The Company has received declarations from respective directors to the effect that they meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and as per Listing Regulations. Further, in terms of Regulation 25(8) of Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or may be

reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, Shri Ratanlal Gaggar, Shri Om Prakash Setia, Dr. Yoginder Kumar Alagh, Shri Nitin Dayalji Desai and Shri Shreekant Somany fulfil the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 & Listing Regulations and is independent of the management. Requisite Notices under Section 160 of the Companies Act, 2013 proposing reappointment of the said Directors have been received by the Company.

The Board of Directors at its meeting held on 18<sup>th</sup> May, 2019, based on the satisfactory performance evaluation and on the recommendation of the Nomination cum Remuneration Committee, have approved the appointment of the aforesaid Independent Directors (not be liable to retire by rotation) for a second term of 5 (five) consecutive years commencing from 1<sup>st</sup> September, 2019.

Shri Ratanlal Gaggar, Shri Om Prakash Setia, Dr. Yoginder Kumar Alagh and Shri Nitin Dayalji Desai are aged above 75 years. Shri Shreekant Somany is presently having age of 70 years. As per Regulation 17(1A) of Listing Regulations, no listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a Special Resolution is passed to that effect. Since Company is already seeking the re-appointment of the aforesaid Independent Directors by way of Special Resolution(s) for their second term, the requirement of the said clause has also been complied with. Approval of members is also sought for continuation of appointment of Shri Shreekant Somany as Independent Director of the Company after attainment of the age of 75 years during his proposed second term.

The re-appointment of above Independent Directors on the Board of the Company is necessary considering their experience in diverse fields, skills and meaningful participation/discussions in the Board process on various vital matters related to the business of the Company which supports to the management significantly while taking decisions on various matters of the Company from time to time.

A copy of draft letter of appointment as Independent Directors setting out the terms and conditions are available for inspection by the Members at the Registered Office of the Company on all working days during business hours i.e. 9.00 A.M. to 6.00 P.M. up to the date of the Annual General Meeting.

The brief resume of above Directors, nature of their expertise in functional areas, disclosure of relationships between Directors, Directorships and Memberships of Committees of the Board etc. as required under Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meeting (SS-2) is set out in this Notice at **Annexure - A.** 

Except Shri Ratanlal Gaggar, Shri Om Prakash Setia, Dr. Yoginder Kumar Alagh, Shri Nitin Dayalji Desai, Shri Shreekant Somany and their respective relatives, none of the other Directors, Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financial or otherwise, in the said Resolutions.

The Board of Directors recommends the Special Resolutions set out at item no. 6 to 10 of the Notice for approval by the Members.

By order of the Board of Directors

S. S. KHANDELWAL

Company Secretary (Membership No. F5421)

Place: Kolkata Date: 18<sup>th</sup> May, 2019

SN	Nature of Information	Item No. 4 of Notice	Item No. 6 of Notice	Item No. 7 of Notice
1	Name	Shri Hari Mohan Bangur	Shri Ratanlal Gaggar	Shri Om Prakash Setia
2	Date of Birth / Age	29.10.1952 (66 Years)	1.12.1932 (86 Years)	20.10.1938 (80 Years)
3	Nationality	Indian	Indian	Indian
4	Date of First Appointment	31.7.1992	25.1.1995	31.7.1999
5	Qualification	B.E. (Chemical)	B.A. (Hons), L.L.B.	M.Com, CAIIB
6	Experience and Nature of expertise in specific functional area	Business Planning and Corporate Management	Practicing as Solicitor & Advocate in High Court of Kolkata having more than 50 years of experience.	Vast experience in banking field at all levels.
7	Relationships between Directors/KMP inter-se	Son of Shri B.G. Bangur, Chairman and Father of Shri Prashant Bangur, Joint Managing Director.	-	-
8	Shareholding in the Company	4,82,063 Equity Shares*	NIL	NIL
9	No. of Board meetings attended during the year	FY 2018-19:4 (Four)	FY 2018-19:4 (Four)	FY 2018-19:4 (Four)
10	Directorship in other Companies	NIL	Duroply Industries Ltd.     (formerly Sarda Plywood Industries Limited)     TIL Ltd.     Paharpur Cooling Towers Ltd.     International Combustion (India) Ltd.     Sumedha Fiscal Services Ltd.     Machino Polymer Ltd.     Subhash Kabini Power Corporation Limited     Mayfair Hotels & Resorts Ltd.	NIL
11	Chairmanship/Membership of Committee of Board of Directors of the Company	- Business Operations Committee-Member - Share Transfer Committee-Member	<ul> <li>Audit &amp; Risk Management Committee-Member</li> <li>Nomination cum Remuneration Committee-Chairman</li> <li>Stakeholders' Relationship Committee-Chairman</li> </ul>	- Audit and Risk Management Committee-Chairman - Nomination cum Remuneration Committee - Member - Corporate Social and Business Responsibility Committee-Chairman

SN	Nature of Information	Item No. 4 of Notice	Item No. 6 of Notice	Item No. 7 of Notice
12	Chairmanship/Membership of Committee of Board of Directors of other Companies	NIL NIL	TIL Ltd.  - Audit Committee-Member  - Remuneration     Committee-Chairman  - Share Transfer     Committee-Member  Paharpur Cooling  Towers Ltd.  - Audit Committee-Member  - Selection Committee- Chairman  - Remuneration Committee- Chairman  - Management Committee- Member  Duroply Industries Ltd.  (formerly Sarda Plywood Industries Limited)  - Audit Committee-Member  - Shareholders/Investors/ Grievances Committee- Member  - Remuneration Committee- Member  - Remuneration Committee- Member	NIL NIL
			International Combustion (India) Ltd Audit Committee-Member - Remuneration    Committee-Member Subhash Kabini Power Corporation Limited - Audit Committee-Member - Nomination & Remuneration Committee-Member	
13	Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid	N.A.	Shri Gaggar is Independent Director of the Company. His remuneration comprises of Sitting fees & Commission (As payable to Non-Executive Directors)	
14	Remuneration last drawn, if any		vn is provided in Corporate Go cure - 6 to the Board's Report	vernance Section of the

<sup>\*</sup>Out of the 4,82,063 shares held by Shri Hari Mohan Bangur, the beneficial Interest on 14,100 shares is held by the following Trusts/Institutions (Belonging to Promoters Group):

<sup>-</sup> Benugopal Bangur Family Trust (Private Trust): 4,000 shares

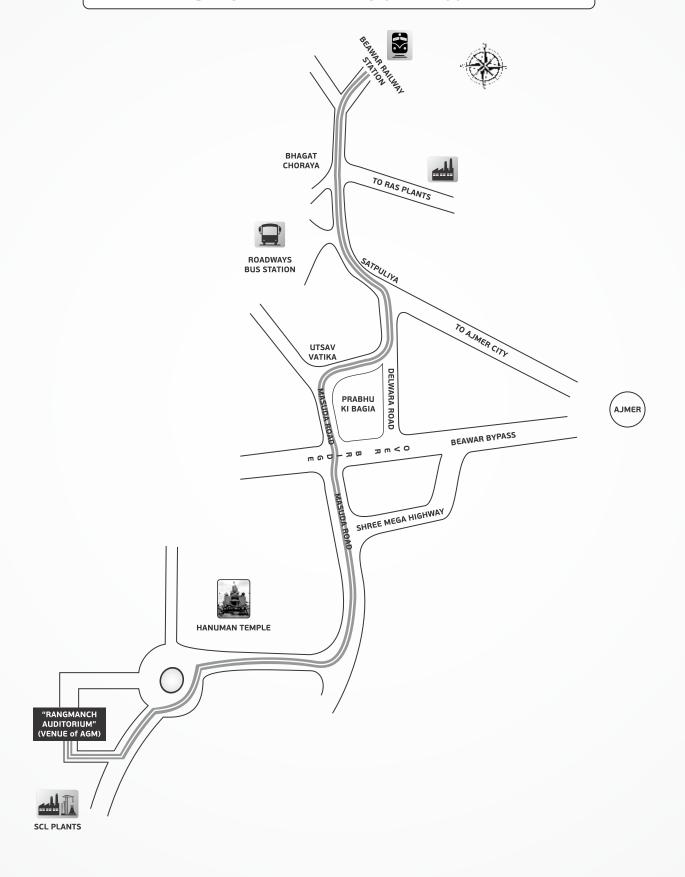
<sup>-</sup> Sunder Devi Bangur Family Benefit Trust (Private Trust): 3,000 shares

<sup>-</sup> Sri Rama Nidhi (Family Deity): 7,100 shares

SN	Nature of Information	Item No. 8 of Notice	Item No. 9 of Notice	Item No. 10 of Notice
1	Name	Dr. Yoginder Kumar Alagh	Shri Nitin Dayalji Desai	Shri Shreekant Somany
2	Date of Birth/Age	14.2.1939 (80 Years)	5.7.1941 (77 Years)	29.7.1948 (70 Years)
3	Nationality	Indian	Indian	Indian
4	Date of First Appointment	29.10.2004	27.5.2011	20.10.2000
5	Qualification	Doctoral Degree in Economics	Master's degree in Economics	B. Sc.
6	Experience and Nature of expertise in specific functional area	Eminent economist with wide experience in policy making & planning	Eminent economist with vide experience in sustainable development	Eminent Industrialist having rich experience of Business
7	Relationships between Directors/KMP inter-se	-	-	-
8	Shareholding in the Company	NIL	NIL	NIL
9	No. of Board meetings attended during the year	FY 2018-19:4 (Four)	FY 2018-19:4 (Four)	FY 2018-19:3 (Three)
10	Directorship in other Companies	ADJB Production Private Limited	Shakti Sustainable Energy Foundation	<ul> <li>Somany Ceramics Limited</li> <li>SR Continental Ltd.</li> <li>Somany Bathware Limited (erstwhile Somany Global Ltd.)</li> <li>Sarvottam Vanijya Ltd.</li> <li>Scope Vinimoy Private Limited</li> <li>Indian Council of Ceramic Tiles and Sanitaryware</li> <li>JK Tyre and Industries Limited</li> </ul>
11	Chairmanship/Membership of Committee of Board of Directors of the Company	<ul> <li>Audit and Risk         Management         Committee-Member</li> <li>Stakeholders'         Relationship         Committee-Member</li> <li>Nomination cum         Remuneration         Committee-Member</li> </ul>	- Audit and Risk     Management     Committee-Member     - Stakeholders' Relationship     Committee-Member     - Corporate Social and     Business Responsibility     Committee-Member	Audit and Risk     Management     Committee-Member     Nomination cum     Remuneration     Committee-Member
12	Chairmanship/Membership of Committee of Board of Directors of other Companies	NIL	NIL	Somany Ceramics Limited - Company Administrative Committee- Chairman - Stakeholders Relationship Committee-Member JK Tyre & Industries Limited - Audit Committee- Member - Stakeholders Relationship Committee-Member

SN	Nature of Information	Item No. 8 of Notice	Item No. 9 of Notice	Item No. 10 of Notice
13	Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid	Dr. Alagh is Independent Director of the Company. His remuneration comprises of Sitting fees & Commission (As payable to Non-Executive Directors)	Shri Desai is Independent Director of the Company. His remuneration comprises of Sitting fees & Commission (As payable to Non-Executive Directors)	Shri Somany is Independent Director of the Company. His remuneration comprises of Sitting fees & Commission (As payable to Non- Executive Directors)
14	Remuneration last drawn, if any	Last remuneration drawn is provided in Corporate Governance Section of the Annual Report and Annexure - 6 to the Board's Report		

# ROUTE MAP TO THE VENUE OF THE 40<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY





Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 Fax: +91-1462-228117/119
E-Mail: shreebwr@shreecement.com Website: www.shreecement.com

CIN: L26943RJ1979PLC001935

Dear Shareholder.

### Subject: Registration of your email ID with the Depository Participant / Company

The Companies Act, 2013 allows the companies to send annual report/notices/documents and other communication to shareholders through electronic mode and also provides that an advance opportunity atleast once in a Financial year to be given to the members for registering their e-mail addresses and changes therein.

Your company, accordingly, proposes to effect delivery of annual report/notices/documents and other communication, from time to time, in electronic mode through e-mail, to those members who have provided their e-mail address. Your Company, therefore, requests you to register your e-mail address with your Depository Participant/Company to receive annual report /notices/documents and other communication in electronic form.

The members are requested to notify the change, from time to time, in their e-mail address to the concerned depository (in case of dematerialized shares) or to the Company / Registrar and Share Transfer Agent (in case of physical shares), as the case may be.

Thanking you,

Yours faithfully,

### S. S. KHANDELWAL

Company Secretary
Encl: E-Mail Registration Form

### E-Mail Registration Form

(For members holding shares in physical form only)

To,

### M/s. Karvy Fintech Private Ltd.

Unit: Shree Cement Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally,

Hyderabad - 500 032

Phone No.: +91-40-67161526

M/s. Shree Cement Limited,

Secretarial Department, Bangur Nagar, Beawar-305 901, Distt. Ajmer (Rajasthan)

FOLIO NO.:
Name of the 1 <sup>st</sup> Registered Holder:
E-Mail address:
Contact No.:
I/We, member(s) of Shree Cement Limited hereby give my /our consent to receive the annual report / notices / documents and other communications, from time to time, in electronic mode through my/our above e-mail address.
Signature 1 <sup>st</sup> Registered Holder
Place:
Date:



### SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 Fax: +91-1462-228117/119
E-Mail: shreebwr@shreecement.com Website: www.shreecement.com
CIN: L26943RJ1979PLC001935

### Form No. MGT -11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail ID:	
Folio No./DP ID and Client ID:	
I/We, being the Member(s) having named Company, hereby appoint:-	shares of the above
1. Name:	E-mail ID:
Address:	
Signature:	or failing him/her
2. Name:	E-mail ID:
Address:	
Signature:	or failing him/her
3. Name:	E-mail ID:
Address:	
Signature: and on my/our behalf at the 40 <sup>th</sup> Annual General Meeting, to be Registered Office of the Company at <b>'Rangmanch Auditori</b> (Rajasthan) and at any adjournment thereof in respect of such res	<b>ium',</b> Bangur Nagar, Beawar - 305 901, District: Ajmer

Resolution No.	Description	For*	Against*
1.	To receive, consider and adopt:		
	a. the Audited Standalone Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2019 and the Reports of the Board of Directors and Auditors thereon; and		
	b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2019 and the Report of the Auditors thereon.		
2.	Confirmation of payment of Interim Dividend of ₹ 25/- per equity shares for the financial year ended 31 <sup>st</sup> March, 2019.		
3.	To declare Final Dividend on equity shares of the Company for the financial year ended 31 <sup>st</sup> March, 2019.		
4.	Re-appointment of Shri Hari Mohan Bangur (DIN: 00244329), Director of the Company, retires by rotation.		
5.	Ratification of remuneration of M/s. K. G. Goyal and Associates, Cost Accountants as Cost Auditors of the Company for the financial year ending on 31 <sup>st</sup> March, 2020.		
6.	Re-appointment of Shri Ratanlal Gaggar (DIN: 00066068) as an Independent Director for second term of 5 (five) years w.e.f. 1 <sup>st</sup> September, 2019		
7.	Re-appointment of Shri Om Prakash Setia (DIN: 00244443) as an Independent Director for second term of 5 (five) years w.e.f. 1 <sup>st</sup> September, 2019		
8.	Re-appointment of Dr. Yoginder Kumar Alagh (DIN: 00244686) as an Independent Director for second term of 5 (five) years w.e.f. 1 <sup>st</sup> September, 2019		
9.	Re-appointment of Shri Nitin Dayalji Desai (DIN: 02895410) as an Independent Director for second term of 5 (five) years w.e.f. 1 <sup>st</sup> September, 2019		
10.	Re-appointment of Shri Shreekant Somany (DIN: 00021423) as an Independent Director for second term of 5 (five) years w.e.f. 1 <sup>st</sup> September, 2019		

<sup>\*</sup> Please put a  $(\sqrt)$  in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this day of	2019.	Affix Revenue Stamp
		Signature of Shareholder
Signature of first proxy holder	Signature of second proxy holder	Signature of third proxy holder

### **Notes:**

- 1. THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2. A proxy need not be a Member of the Company.
- 3. In case the Member appointing proxy is a body corporate, the Proxy Form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorization should be attached to the Proxy Form.
- 4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- 5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.



### **SHREE CEMENT LIMITED**

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6, Fax: +91-1462-228117/119
E-Mail: <a href="mailto:shreebwr@shreecement.com">shreebwr@shreecement.com</a> Website: <a href="www.shreecement.com">www.shreecement.com</a>
CIN: L26943RJ1979PLC001935

### ATTENDANCE SLIP

40<sup>TH</sup> ANNUAL GENERAL MEETING
(PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE)

Serial No.:

Name and Registered Address	:	
Name of Joint Holder(s)	:	
DP ID & Client ID / Folio No.	:	
No. of Shares held	:	
Name of Proxy/Representative, if any	:	
I/We hereby record my/our presence at the <b>40</b> <sup>th</sup> <b>A</b> i 9 <sup>th</sup> August, 2019 at 11.30 A.M., at "Rangmanch (Rajasthan).	n Auditorium", Bangur Naga	r, Beawar - 305 901, District: Ajmer
	Sign	ature of Member/Proxy/Representative
<b>Note:</b> Shareholders/Proxies/Representatives are admission to meeting venue. The admission deemed necessary.		
	tear here	
_	C VOTING PARTICULA UAL GENERAL MEETING	RS
EVEN (Electronic Voting Event Number)	User ID	Password / PIN
Nata Diago road the instructions winted under	the Nete Ne 22 to the Neti-	o of the 40th Approal Conseq Marking

**Note:** Please read the instructions printed under the Note No. 22 to the Notice of the 40<sup>th</sup> Annual General Meeting. The facility of remote e-voting shall commence at 9.00 A.M. (IST) on Tuesday, 6<sup>th</sup> August, 2019 and shall remain open upto 5.00 P.M. (IST) on Thursday, 8<sup>th</sup> August, 2019. The Voting module shall be disabled for voting by Karvy Fintech Private Limited after 5.00 P.M. (IST) on 8<sup>th</sup> August, 2019.





ANNUAL REPORT **2 0 1 8 - 1 9** 



Your comments and feedback are of great importance to us. We would be glad to address any queries or observations that you may have with regard to our various future-aligned initiatives, our performance or this Report. You are most welcome to e-mail us at investor@shreecement.com.

A Feedback Form is also attached with this Report. The Readers may use the Form to express their views on this Report.

Caution regarding forwardlooking statements: This document contains statements about expected future events and financial & operating results of Shree Cement Limited, which are forward-

looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of the Shree Cement Limited Annual Report 2018-19.

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### **OVERVIEW**

# QUALITY AND QUANTITY





Change is the law of life. Change is certain. Every organisation, big or small, has to change their way of doing business. Also, every institution, while on its growth journey, causes lots of change elements within the organisation. While some grow by just doing more. This can be termed Quantitative Change. While, some might not change in size but might change the way they do their business. This is Qualitative Change. To be more precise, a change that brings about increase in running capacity of some equipment or a predefined process by deploying more resources can be termed Quantitative Change. On the other hand, enhancing the productivity or efficiency of a process or an equipment is, in real terms, Qualitative Change. In any organisation, Qualitative Change usually fosters innovation and a creative approach to even routine functions. Quantitative aspect deals with output that is 'objective and verifiable'. Qualitative changes on the other hand, deal with innovative solutions and often are very subjective to the organistation and at times very tough to emulate.

Change is, thus, a business need. Both Quantitative as well as Qualitative changes are essential. Balancing both 'Quality and Quantity' to bring about continuous improvement in business operations and balancing them at their best together is true test of a organisation's planning and execution ability. Constant review and re-look at everything on 'Quality and Quantity' fronts requires an working philosophy of 'Total Continuous Improvement'. Continuous Improvement (Excellence) in Qualitative as well as Quantitative indicators has to be an organisation-wide mission. The essence of Total Continuous Improvement (TCI) has to be understood both separately and collectively in each of the three words that form it. 'Improvement' suggest that an organisation is not a static entity, but a thriving one; with diverse views each aimed at 'doing things better than yesterday'. 'Continuous' builds on the fact that any improvement is not the end of the journey. And the term 'Total' implies that everyone in the organisation gets involved in Continuous Improvement (CI), and that every aspect of the organisational activities is subject to Cl.

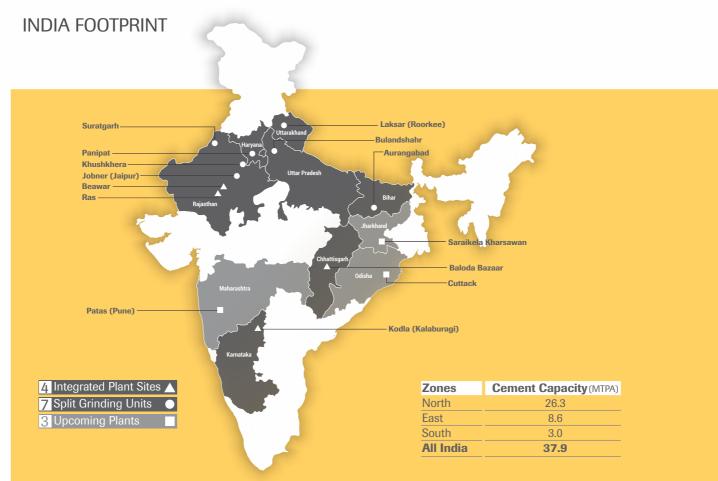
Shree has always believed in the maxim - 'Quality First, Quantity Must' - in its quest for excellence. It has been our guiding principle. At Shree, Total Continuous Improvement is the heart and soul of our being. The 'Quality First' acts as a lever that constantly probes the 'Why's' and 'Why not's' in our operations, thereby unleashing unlimited pool of opportunities; for continual improvement. The 'Quantity Must' helps us multiply the gains by fast replication across our operations. Shree has thus been able to attain a good balance of 'Quality and Quantity'.

At Shree, we essentially take care of the small things because we know the big things will take care of themselves. A small change for improvement, a small positive contribution, a small saving to us is as important as our next big project. This understanding across the Organisation breeds our culture, and is fundamental to the pillars of excellence. At Shree, quantity (scale of our operations) adds to our fundamentals; but quality is fundamental to us.

### **OVERVIEW**

## **INTRODUCING SHREE**

	INDIAN OPERATIONS	OVERSEAS OPERATIONS IN UAE (Through Subsidiaries)	TOTAL
CEMENT CAPACITY (MTPA) (as on 31 <sup>st</sup> March, 2019)	37.9	4.0	41.9
POWER CAPACITY (MW) (as on 31 <sup>st</sup> March, 2019)	646	13	659





### FINANCIAL STRENGTH 2018-19 (STANDALONE)

₹ **11,722** Crore **Net Revenue from** Operations during 2018-19

₹**2,898** Crore **Operating Profit for** 2018-19

₹951 Crore **Net Profit for** 2018-19

**>₹65,000** 

Crore **Market Capitalisation** (as at 31st March, 2019)

₹ 9,597 Crore **Net Worth** (as at 31st March, 2019)

### **MILESTONES**

AMONG THE TOP 3

Cement Groups in India (In terms of Cement Capacity)

AMONG THE TOP 50

Listed Companies in India (In terms of Market Capitalisation as on 31st March, 2019)

**OVERSEAS ACQUISITION** 

Acquisition of Union Cement Company in Emirate of Ras-al-Khaimah, **United Arab Emirates** 

### **FOOTPRINTS IN SOUTHERN INDIA**

Commissioned Integrated Cement Plant at Kodla (Kalaburagi), Karnataka

### LARGEST WASTE HEAT RECOVERY **BASED POWER PLANTS (WHRP)**

in the Global Cement Industry excluding China

### **GROWING STRENGTH TO STRENGTH**

### Growth over a 10-Year Horizon

Parameter	UoM	2018-19	2008-09	CAGR
Cement Capacity	MTPA	37.9	9.1	15.33%
Power Capacity	MW	646.0	119.5	18.38%
Revenue from Operations	₹ in Crore	11,722	2,711	15.77%
Operating Profit (EBIDTA)	₹ in Crore	2,898	993	11.31%
Net Worth	₹ in Crore	9,597	1,210	23.01%
Market Capitalisation at the End of Year	₹ in Crore	65,033	2,475	38.66%

### **Brand Showcase**







#### **OVFRVIFW**

# PHILOSOPHY, VISION AND GUIDING PRINCIPLES



### THE SHREE PHILOSOPHY

### Aah No Bhadra: Kratavo Yantu Vishwatah

"Let noble thoughts come to us from all over the World." - Rigveda

At Shree, we believe in imbibing and extending these noble thoughts across all our functions.

# We call it The Shree Philosophy, which makes us an organisation that is



- Quality and Energy Conscious
- Customer Responsive



- Socially Responsive
- Investor Rewarding



- Employee and Environment Friendly
- Sustainable Organisation

### **OUR VISION**

Lead in creating prosperity and happiness for all stakeholders through innovation and sustainable practices.

As an organisation, we spread happiness amongst everyone connected with our ecosystem and create wealth for investors, employees, business associates and communities where we operate by experimenting and implementing new ideas for improving efficiencies and maximising the ratio of output product to input resources.

### **OUR GUIDING PRINCIPLES**

- Enforce good corporate governance practices
- Encourage integrity of conduct
- Ensure clarity in communication
- Remain accountable to all stakeholders
- Encourage socially responsible behaviour

## **OUR VALUES, OUR OPERATING STRENGTHS**



Ensuring optimum outcomes in everything we do at work

Achieve our targets consistently with minimal costs



Believing in each other with mutual respect

Promoting honest and open communication

Building an environment of freedom with responsibility



Experimenting with new ideas to improve continuously

Striving to take risk for adding value to the business



Extracting the essence and keep communication simple



Prioritising opportunities and challenges to enable swift decision making

Being flexible in our approach to find effective business solutions



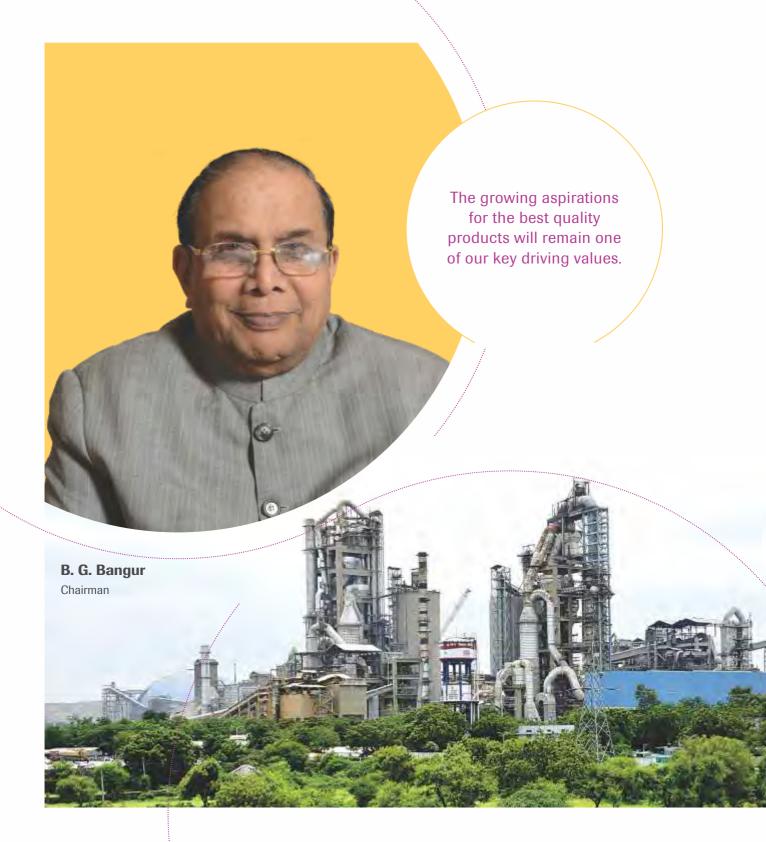
Being compassionate towards our communities and our environment

Working together as one family; connect personally with each other

Demonstrating humane touch in the way we work

### VIEWS AND PERSPECTIVES

## **CHAIRMAN'S WORDS**



We live in exciting times. India has truly arrived on the world stage. We have entered one of the most exciting phases in our history as a Nation, and the same holds true for Shree as a Company.

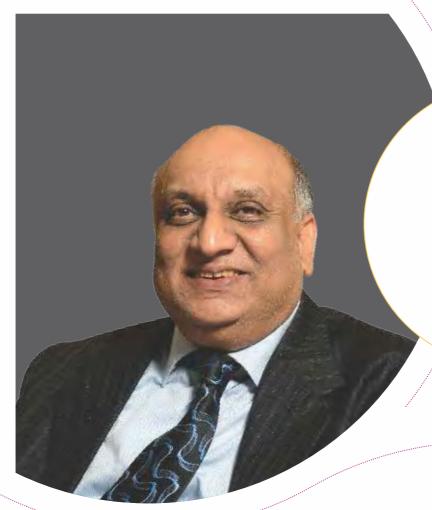
India has witnessed a huge transformation over the past few decades - the earlier decades were about meeting needs; now it's about aspirations. Today's India aspires to have the best in everything.

Shree understands too well that in this highly competitive world, it is imperative to revisit business models and stay ahead on the innovation curve. A company, that fails to adapt, risks its long-term prospects. Shree continues to transform and evolve in order to meet and exceed the expectations of a nation that wants nothing but the best. Delivering products of the highest quality has become a key priority for us. We will continue to bridge any gaps between our today and tomorrow; leverage our strength to continue delivering best-in-class products.

The growing aspirations for the best quality products will remain one of our key driving values. And we will strive to be among the most valuable, most innovative and most admired companies.



# MANAGING DIRECTOR'S OUTLOOK



The time to re-invent any product, process or organisation is when things are working well.

H. M. Bangur
Managing Director

Let me begin by posing a simple question. Who is a champion?

There are players in any given sports-field around us. But, there is only one champion. The one who has many laurels under his / her belt yet refuses to rest on them. The one who is busy improving his / her own performance. And, the one who contributes immensely by inspiring others, raising the bar and adding value to the game. Allowing nothing to come between where he is now and where he wants to be.

It is said that champions are made, not born. So, we come to the second question. What makes a champion? What characterises these passionate individuals who use their talents to reach newer heights, one after the other? The answer is 'Quality' exercise done in insanely high 'Quantities'. These self-propelled individuals untiringly work on their game, day in and day out. Their training regimen requires them to repeat their practice umpteen times. They perfect what they practice and expect the absolute best. In many of their attempts, they fail to cross the target. However, they take the setbacks in stride as new learning for the next one. Setting a new target, breaking it and re-setting another one is an ongoing phenomenon. Undoubtedly, their record-breaking performance is

possible only because of their countless efforts (signifying 'Quantity') aimed at extra ordinary outcomes in every single attempt (signifying 'Quality').

I believe, the reason why a champion is able to push the envelope is because he understands that his limitation is governed only by his imagination. And hence, he improves quality of his every day practice and breaks the previous benchmarks / records. While the outside world is busy being amazed by the records set by him, the champion has already set his eyes on breaking a new level, a new benchmark for setting a new record.

What is so true in the field of sports is equally relevant to the business arena! The ups and downs, challenges and competition, regulatory and external environment - all are common to all the industry players. Yet, some struggle while some excel in the face of new waves. Some fade out, some outshine. The champion industry players improve their game every day. Their incessant guest for constant out-performance in their operations and intense focus on quality of their products and processes, make them beat competitors. They see every challenge as an opportunity to excel and add value.

At Shree, people achieve success, create records and break the performance bar on a daily basis. These accomplishments keep their morale high. They do relish the accomplishments. But, soon they chart out a new aim, a new target. Of bettering the one accomplished before. They question the just accomplished. Sometimes, they try out something never tested before. They do fail in some of their trials. New experiences entail new learnings. Again, new benchmarks get created. And the journey of betterment continues. I see these countless trials, attempts and efforts as true manifestation of both Quantity and Quality.

I have a strong belief that companies and leaders must embrace this display of Quantity and Quality as fundamental to success. Just like a champion sportsman, they need to see no barrier to their imagination. They must question even the most successful initiatives, projects or products from time to time. Make room for the better, instead of carrying forward the legacy of what has worked well in the past. The people must challenge the status quo that sets in and often reflected in `why fix it, if it ain't broke'.

For this to happen, leaders need to create new leaders. Empowered people are more proactive and show the desire to embrace change. Thus, people need to be given autonomy and control for taking decisions as per the required situation. Opportunities of working on

demanding situations and challenges help young members develop as leaders of tomorrow. This leadership quality of bringing continuous improvement and creating future leaders is essential for rapid scale up on quantity

People also need to change their mindset about the way they consider the set standards or normative processes. Typically, people regard them as rules which can never be deviated. They blindly follow them as instructions. These normative processes do help the optimal way of working under standard conditions and need to be generally followed. If, however, the situation warrants, people should not fear deviating from them in overall interest of the objective. This requires strong communication channels up and down the management line so that decisions on required deviations are taken swiftly.

The time to re-invent any product, process or organisation is when things are working well. With changing times, customers evolve and their requirements change. The choice before a company is to change as a reaction to such changes once they have settled in the market, or change proactively when initial signs of an impending change become visible. Today, more than ever, there is an increasing focus on quality throughout the world. And it is not difficult to fathom. Increased competition coupled with a volatile business environment has meant that companies have to recognise the importance of quality.

While volume growth has brought us where we are today, we have decided to make a strategic shift witnessing an interesting trend emerging in the market place. With aspiration levels rising, the customers are moving up from demanding basic product functionalities to asking for the very best. Looking at this change that is visible on the horizon; we have made an entry into the segment of Premium Cement Brands. While Shree has always worked to earn the trust of its customers by giving them consistent good quality, our team is now taking this good quality forward and upgrading it to the very best quality that one can get in the market place. We think we have taken the right strategic step to ensure we are well placed to leverage this emerging trend.

I can say with great sense of pride, and with all humbleness, that Shree has always acted with great responsibility towards consistent value creation for our stakeholders. This requires being agile and bringing continuous improvement. 'Quality and Quantity' has always been a mission at Shree.

### VIEWS AND PERSPECTIVES

# JT. MANAGING DIRECTOR'S COMMUNICATION



Maintaining Quality across Product, Process and People has played a key role in helping us reach the level of Quantity we are at today.

## **Prashant Bangur**

Jt. Managing Director

The world is becoming more dynamic with each passing day. The speed at which an existing best performer is replaced by an even better one is increasing at a pace never seen before. A winner can become a loser in no time. Thus, in an organisational perspective, 'Disrupt or be Disrupted' is the way to go. One has to always be on the toes so as to see and prepare for the changes that may yet not be in sight, but appear on the horizon. This requires an organisation to work on both Qualitative and Quantitative aspects of its business. Quality demands novelty, creativity and imagination. Quantity requires expansion and growth.

Quality and Quantity are generally perceived to be opposite ends of a pole. If you attain Quality; Quantity may need to be sacrificed and vice versa. Thus, it is believed that you may not attain Quality and Quantity at same time. Some companies, therefore, prefer Quality and give up Quantity and some choose Quantity and sacrifice Quality.

Having Quality and Quantity together is a tough challenge. But tough challenges are what test the limits of human spirit and innovation. How does one make a top quality product available to the masses in large quantity?

A good example of 'Quality and Quantity' together can be Amazon's e-commerce business. Nothing can match the scale (Quantity) at which customer transactions happen at Amazon. But while servicing this 'Quantity', 'Quality' is equally kept high. From placement of order to delivery at door-step, world-class Quality is maintained. No wonder Amazon has been a revolution. This shows that 'Quality and Quantity' might be tough, but definitely achievable.

Shree has successfully worked on Quality and Quantity aspects of its business through its unique philosophy of "Total Continuous Improvement". Under this philosophy, people crave for making their today better than yesterday. They constantly look for better ways of doing their areas of activities. This, in turn, has built a culture of continuous questioning the existing, thereby generating numerous opportunities for innovation, efficiency and productivity enhancement within the organisation. Thus qualitative change at Shree is a way of life. Quality led initiatives help us rationalise our costs and optimise our operations. This has helped us built competitive edge and helped us scale up our volumes through replication of potential across our different plant sites.

Since inception, Shree has believed in embedding 'Total Continuous Improvement' as fundamental to its business. Continual betterment in 'Quality and Quantity' is an essential element. Be it Product, Process or People. A product can be only as good as the processes and people that are engaged in its production. While our focus on our customers and their changing needs has helped us deliver quality products to them, we have also constantly worked on improving the efficiency of our processes and ability of our people.

A good quality machine can be bought by anybody from the market. But our people go further. They continuously put to test the ability of these machines to make them even more productive than what the OEM had thought of. This is critical as every Rupee saved and every extra unit produced help us make our product available to more customers. As sales quantity increases, our scale-led efficiency improves further.

Developing quality leadership is very important. It is critical to put the right people on the right job. Necessary training and development initiatives need to be planned. Empowerment to take decisions needs to flow across all levels. And above all, it is important to clearly communicate that failures are an acceptable part of the development process. Maintaining quality across Product, Process and People has played a key role in helping us reach the level of quantity where we are today.

Our top quality products, designed to meet the requirements of different class of customers, have helped us build a large base of highly satisfied patrons. Also, this, in turn, has helped us continually grow our volumes and enhance our market share. In our assessment, the currently a relatively smaller segment of discerning customers who demand nothing but the very best is poised to grow exponentially in scale. Sensing this opportunity, we have now entered the segment of superpremium cement brands. This is a potential high growth segment and thus offers us an opportunity to deliver on both 'Quality and Quantity'.

The challenge before us is to market top Quality products while continually grow the scale of Quantity that we are known for. To get Quality and Quantity together, it is necessary to continue to bring 'Total Continuous Improvement' across our Products, Processes and People. Here our working philosophies of questioning the set practices, continuously raising the performance bar and learning from failures shall help us. Past experiences have to be questioned and set processes have to be evolved.

The very best product (Quality) distributed on a large scale (Quantity) continues to be our mission. Our intent is clear. Honest cohesive attempt by the entire team is all that it takes to continue this journey. Our people are the engine that shall drive this Quality and Quantity mission. Continuous Improvement shall continue to be an integral part of Shree's approach to build 'Quality and Quantity'.

# MESSAGE FROM WHOLE TIME DIRECTOR



Nothing succeeds like success.

Success may appear all glitz and glamour when seen from a distance. But, in reality, it is journey traversed through the lanes of hard work, smart work, self-belief, passion and even failures. Quality and excellence driven by continuous improvement is at the root of every success. This fundamental is what we know for sure at Shree.

Capacity ramp-up drive continued to be our focus in the previous year. We commissioned a new Integrated Cement Plant in Karnataka. With this, our Cement Production Capacity has risen to

37.9 MTPA. Besides, our prime focus remains to maximise the green power generation. In this direction, we started a Waste Heat Recovery System (WHRS) at Karnataka Plant, similar to our other existing Clinkerisation Units. Start of operations of a Wind Power Plant, first for Shree, of 21 MW capacity at Karnataka Plant was another milestone. Enhancing our global footprint, we acquired controlling stake in Union Cement Company in Ras Al Khaimah, UAE having a Cement Capacity of 4.0 MTPA. Incidentally, this is one of the biggest capacity Kiln not only in UAE, but also globally. Shortly, we will be commissioning a new Grinding Unit in Jharkhand. Simultaneously, our project activities are in full swing for setting up a Grinding Unit in Odisha. We have also recently started work for setting up Grinding Unit in Maharashtra.

Various experts define Quality in different ways. Indeed, its definitions include degree of excellence, value, conformance to specifications, fitness for use, meeting customer's satisfaction, etc. To us, the best interpretation of Quality is, happiness of our customers.

Quality excellence along with maximising quantity has traditionally been the top priority for Shree. As well acknowledged, the term Quality does not limit to product quality only, but comprehensively, even far beyond. For Shree, it covers a wide span including Quality of Raw Materials and Fuel, Quality of Technology, Quality of Maintenance, Quality of Environment, Product Quality, Quality of After-sale Services, Quality of People and so on. Our commitment remains to adhere to meet requirements of all stages of Quality, including Quality Planning, Quality Assurance, Quality Control and on top of all, Quality Improvements. Another important dimension is consistency of Quality. Recently, we added two premium products in our product basket namely Roofon and Bangur Power. These products, developed after an extensive and detailed R&D, were launched to cater to needs of premium segment of customers.

Operational excellence is a hallmark for Shree. Our main focus is to do better than what we have been doing every day. Excellence is targeted not only in Manufacturing and Maintenance, but all spheres including business processes. Innovation, which we say is in DNA of Shree, is the key driver for achieving the same. This coupled with vivid imagination and passion, leads to benchmark performances. It is always important to catch-up with new technologies to continue optimisation. For this, we constantly challenge our existing practice, and encourage to experiment with new systems, leading to occasional failures but many successes as well. Compliments also go to collaborative efforts with amazing connect, synergy and chemistry of engaged teams across all verticals including Quality, Mines, Technical, Commercial, IT, HR, Procurement, MIS and Logistics. Sharing and transparency are the keywords for Team Shree.

Shree is committed to social responsibility and happiness of the community. We pursue path of optimal utilisation of resources and minimising carbon footprint in pursuit of sustainable development. Shree is one of the first Cement Companies in India to report on sustainability performance by publishing the CSR Reports. Our efforts towards community development cover initiatives in realm of health, water, sanitation, education, agriculture, upliftment of BPL families and skill development for selfemployment among others. To promote women education, Shree has set-up a Shree Bangur Mahila Mahavidhyalay at Didwana. Another important contribution from Shree was to build a Girls Hostel for the renowned Mugneeram Bangur Memorial (MBM) Engineering College at Jodhpur.

Rewards and Recognitions encourage and motivate us to do better. The major ones for the past year are Corporate Governance and Sustainability Vision Award-2019 by Indian Chamber of Commerce, Best Company in Cement Sector in Rajasthan by CNBC-AWAAZ, Rajasthan Ratna Award, Green Tech HR Award 2018 in Gold Category, Golden Peacock Award for Sustainability - 2018 by Institute of Directors. Fly Ash Utilisation Award-2019, CSR Leadership Award for Best CSR Practices, Sustainability Award by Indian Cement Review, among others. Three years in a row, we received the 5-star Rating for sustainable mining operations at Ras and Beawar.

A common trait of successful teams is that they are led by captains who not only guide the teams with their vision, but they also empower the people with trust and resources. The visionary guidance and patronage from the top management motivates us to perform better. It is a matter of pride for Shree that our MD Shri H. M. Bangur has been recently recognised as "India's Best CEO" by the renowned Business Today Magazine.

Our family, comprises not only of employees, workers and their families, but also the community in the vicinity of our operations. Their well-being is of utmost importance to us. Naturally, such exemplary vision and work cannot go unnoticed. Shree received several recognitions and accolades from organisations of repute in the year gone by. It is certainly a validation as well as a celebration of our commitment to excel in all spheres of activities.

It is well said that those who change after others change, survive. Those who change with others, sustain. But, Shree's philosophy is to be a Change Maker. That incidentally is the USP of successful leaders.

# MESSAGE FROM PRESIDENT (MARKETING)



What makes Shree unique is the fact that in our endeavour to be a customer-centric company, we rethink every business process, product and service from the viewpoint of the customers.

**Diwakar Payal**President (Marketing)





Companies make products. It is the customers who make a brand.

I am not denying or undermining the efforts of companies in building brands. But the fact also remains that not all efforts are successful. With plethora of choices in any given category, the only option before any savvy marketer is to take its customer orientation to a qualitatively new level and create the right customer experience every single time. This has to be an ongoing process, which calls for the entire organisation to align to the objective, without which it may only get reduced to being a slogan. What makes Shree unique is the fact that in our endeavour to be a customer-centric company, we rethink every business process, product and service from the viewpoint of the customers, and are committed to delight them at every touch point.

Customer delight has different dimensions in different era. Long ago, markets were price sensitive and being cost-competitive was a key differentiator. Shree's cost leadership helped it deliver maximum value to its customers (Quality Products at Competitive Prices). After that came a phase when growing awareness among customers about importance of completing projects on a time-bound basis gained prominence. This was an era of 'Just-in-Time' servicing as customers were not willing to wait. Shree responded to this phase by laying out a web of grinding units closer to key demand centres to be the quickest in tapping the demand and supply in the shortest possible time. Now with rising disposable incomes and exposure to global trends, customers are willing to pay a premium. And Shree is ready to tap this hitherto untapped segment with its R&D breakthrough product - 'Roofon'; and 'Bangur Power', both premium cement brands.

Our approach to marketing is unique. We have always refrained from viewing the markets from the perspective of the competition. We believe that focus on the competition only encourages conformity. So we believe in breaking the 'set' rules of marketing to change the game. After all, brand building is all about being different. We instead focus on the customers and their changing needs and requirements. Winning the trust of customers plays an important role in our industry. The customer is either an individual buyer constructing a home putting his / her life's earning into it, or a big institutional buyer working on mission-critical project. For us, a customer requiring 10 tons of cement is as valuable as a customer requiring 100 tons.

At the grassroot level, we work closely with masons and help them upgrade their knowledge of latest ways in construction. We create awareness about the right ways of using cement to help improve the quality and life of the construction. Our technical teams regularly visit construction sites to train masons and owners about the right mix and methodology of using cement. On the other hand, for more discerning EPC Contractors looking for a reliable and continued cement supplies, we came up with a unique and innovative offering - Movable Dedicated Silos for cement storage. It was a win-win for all, as we replace bulkers as a storage medium with a Movable

Dedicated Silos. This helped customers meet their temporary storage requirement at the site while freeing up our bulkers for usage. Shree is replete with such examples of customer orientation. In the digital age, we have developed an App that connects the Dealers, Masons, Sales and Marketing Teams on a real-time basis.

At Shree, the rule for catching and riding a wave is fairly simple - anticipate it. We attach great significance to tracking trends, keeping a tab on market developments, gathering market intelligence, gaining insights on customer behaviour and driving customer engagement. Our brand building initiatives focus on creating a strongly differentiated position in a highly commoditised category. Here, understanding of customer-needs holds the key; and working on consumer insights is significant. This is reflected in our communication which is always developed in local / regional languages. It has always enhanced the salience of our brands with a better connect with the audience.

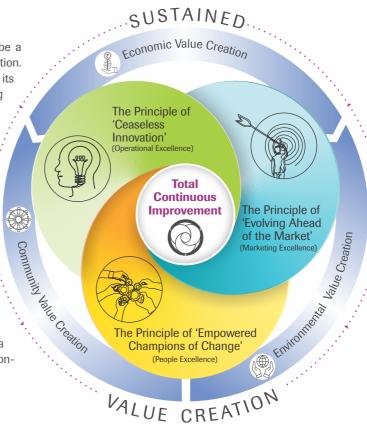
Shree is known for innovation in marketing by creating new segments, quick rollout of distribution networks close to markets and winning customer trust. Instead of trying to fit in, Shree believes in shaping the external environment. Be it OPC / PPC / PSC, bag packing or loose cement in bulkers - our products meet the requirements of different customer segments. Our brands - Shree Jung Rodhak, Bangur Cement and Rockstrong - meet the requirements of a cross-section of customers with the product and price attributes fine-tuned for each of the segments. However, more than selling, our approach is to add value to the dream construction projects of our customers. To reach our customers faster, our Marketing and Logistic Teams continuously work on minimising the lead time of product movement from our factories to the market. Our ever-growing servicing network feeds our 16,000 plus dealers through 800 plus depots that connect us to our customers.

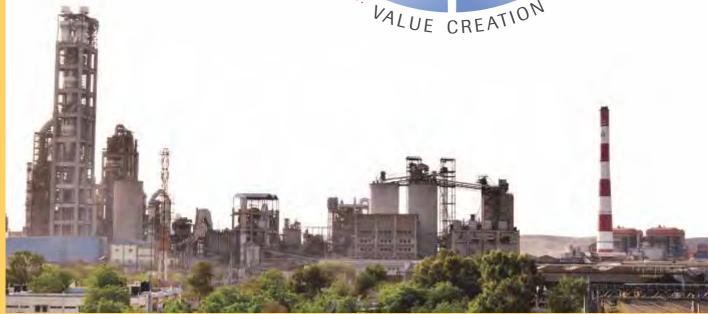
These are exciting times at Shree. With Shree entering new markets and new projects in the pipeline in new geographies, our pan-Indian presence is further strengthened. We have just one key ingredient to ride every wave coming our way - Our Passion.

# TAPPING INFINITE OPPORTUNITIES WITH **CONFLUENCE OF QUALITY AND QUANTITY**

### THE HUB AND SPOKE MODEL OF SHREE FOR SUSTAINED VALUE CREATION

Since inception Shree has endeavoured to be a champion in the field of Sustained Value Creation. The credo of 'Quality and Quantity' has fuelled its sustainable growth objectives by tapping infinite pool of opportunities through a pulsating wheel of excellence. In its pursuit of excellence, Shree always endeavours to bring in both qualitative and quantitative changes in every sphere of its business. With focus on 'Total Continuous Improvement (TCI)', serving as the Hub, in all spheres of its activities, Shree has ensured that it is able to continually raise the performance benchmark by excelling in the realms of managing its Operations, Marketing and People; each of the three serving as the Spoke. It has resulted in sustained value creation viz. Economic, Community and Environmental. Total Continuous Improvement (TCI), in a nutshell, is an epitome of Shree's organisationwide Culture of Excellence.





### SHREE IS A LEADER IN SUSTAINED VALUE CREATION OWING TO ITS THREE SPOKES OF EXCELLENCE:



### The Principle of 'Ceaseless Innovation' (Operational Excellence)

### 'Raising the Bar - Every Single Time'

'Aah No Bhadra: Kratavo Yantu Vishwatah' - Let noble thoughts come to us from all over the World! This passage from the Rigveda describes the Guiding Philosophy of Shree. This really is epitome of worshipping the 'Principle of Ceaseless Innovation'. At Shree, we believe there is further scope for Innovation, Optimisation, Productivity and Conservation; no matter what we may have already achieved. The unending quest for bringing improvement, coupled with focus on speed of execution, is the essence of our Operational Excellence approach. At Shree; we tirelessly work on improving the existing state and that is 'Continuous Improvement' for us. We explore all possible ways of approaching problems. Experimentation is welcome. Failures are welcome. For us, 'Optimisation' is a moving target. Our focus on improving the processes 'Qualitatively' and replicating the outcomes across the width and breadth of the organisation for 'Quantified' impact has made Shree what it is today. At Shree, our commitment to 'Operational Excellence' helps us scale high on Continuous Improvement.

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### The Principle of 'Evolving Ahead of the Market' (Marketing Excellence)

### 'Knowing the Pulse of the Market in Advance'

Maximising one's share in the pie of the market necessitates spotting an opportunity before others. With time, customer needs change; and addressing these needs is addressing the markets of the future. Putting customer requirements at the center of everything we do, is the recipe of Shree's Marketing Excellence. The principle of 'Evolving Ahead of the Market' helps us stay in touch with the market - in sync with the changing customer profile, and be ready with our offerings for their changing preferences. Marketing at Shree has always been about meeting the quality needs of the customers and a world-class service delivery model. It is supported by a deep understanding of customer demand-cycles, customer's changing requirements, etc. This not only helps build our realistic assessment of the market, but also helps evolve in pace with changing times. Ongoing dialogue and feedbacks from customers help us bring Continuous Improvement to our marketing strategies; be it offerings or communication. Staying ahead of the curve in any market, in any situation accrue tremendous benefits for Shree. Evolving product quality according to customer needs and aspirations and delivering them the required quantity in fastest time through our efficient logistics channels has been hallmark of our marketing performance.

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### The Principle of 'Empowered Champions of Change' (People Excellence)

### 'Working Together is Success'

People drive an organisation, and hence their quality becomes paramount. For an organisation to be focused on Continuous Improvement, every single member of the team should be focused towards Continuous Improvement. There are no employees; only 'Champions of Change' at Shree. Self-motivated, goal-oriented team members actualise the shared dreams because they feel empowered. At Shree, learning is being and being is learning. Our existence is expressed in the context of a constant and never-complete learning process of our people. Our quest for Continuous Improvement creates a pool of opportunities for our people to work on new experiments and challenging situations. This provides unique exposure to our 'Champions of Change' and turn them to in all-round experts. Qualitative efforts put in by our team in to 'Champions of Change' result in quantitative excellence at Shree. Our people are assured of the Management's unending support in all their sincere efforts. Failure is acceptable as every failed attempt leaves our people wiser for their next attempt. Our success is the outcome of success of the people we have in our team.

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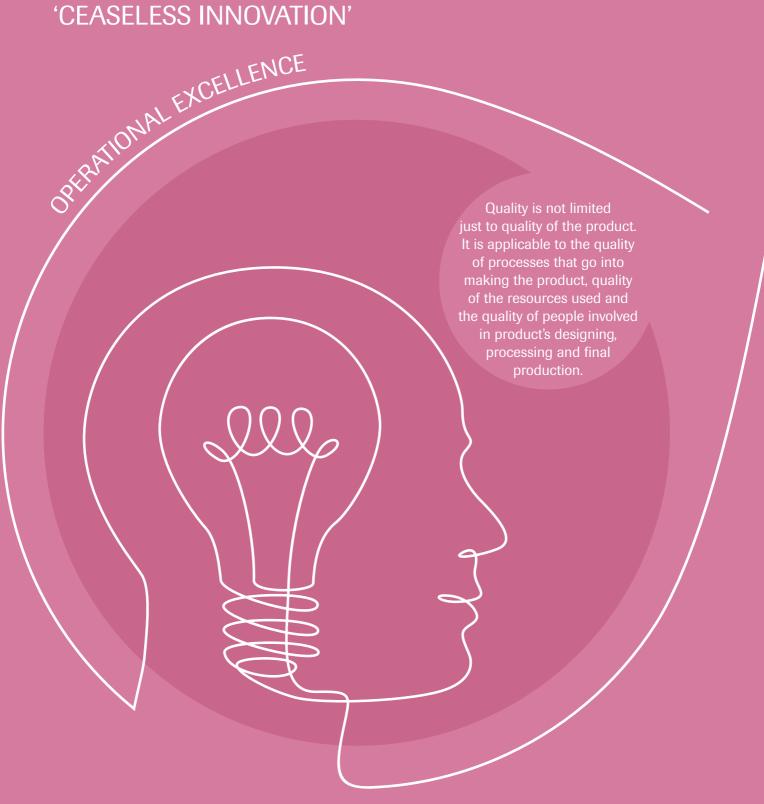
### End Result - 'Sustained Value Creation'

Our three spokes of Excellence viz. Operational, Marketing and People have helped us create longterm value that we believe is Sustainable. Our performance in economic value creation is visible to all in hard numbers. At the same time, it is our core belief that no thriving business can prosper for long as an oasis of prosperity in a desert of unhappy society and a damaged environment. Awareness and paying attention to the well-being of our Community and Environment reflects our sustainable growth philosophy. With our 'Total Continuous Improvement (TCI)' approach we strive to ensure that sustainable economic value creation for our business walks hand in hand with care for the environment and the society we live in.

With focus on Quality and Quantity, Shree is a champion in Sustained Value Creation in the realm of Economic Value, Community Value and Environmental Value.

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# THE PRINCIPLE OF 'CEASELESS INNOVATION'





### 'RAISING THE BAR - EVERY SINGLE TIME'

Continuously improving business processes is of paramount importance for organisations competing in today's highly competitive markets. They can build a sustainable competitive edge through utilising the available work opportunities and realising the full potential of their operational processes, systems and equipment. This can be done through practicing Operational Excellence (OPEX) on a sustained basis. OPEX is all about unlocking the organisational value through Total Continuous Improvement.

Our focused approach to both Qualitatitive and Quantitative change in our operations presents us with a pool of infinite opportunities of improvement. Our continuous experimentation has built a culture of innovation, creativity and passion for efficiency within the Organisation. This helps us tap these limitless opportunities and create sustainable value for stakeholders. One 'Quality' innovation performed at one place and replicated all across delivers 'Quantitative' value creation for all. This philosophy is pursued at Shree at every level.



Specific Electrical Energy Consumption (kWh/ton of cement) for FY 2018-19

69 kWh/ton

76 kWh/ton

(average industry standard of year 2018)



Specific Thermal Energy Consumption (kCal/kg of clinker) for FY 2018-19

719 kCal/kg

**744** kCal/kg

(average industry standard of year 2017)

At Shree, our OPEX model focuses on building an organisation wide culture that encourages constant questioning of the current state in every process and activity, so as to enhance systemic efficiency and rationalise the cost of operations. This, then effectively gets translated in the Customer Value and accrues to us as Business Value.

Each and every process of our operations from Mining to Manufacturing, Packing to Logistics and Power Generation to its Supply, is built on the premise that there is always a scope of further Process starts with welcoming every improvement. We, on an thought / suggestion, engagement ongoing basis, have to of people all across | work to identify and Inviting ideas reduce redundancy, from grassroots reuse or redeploy resources, enhance efficiency and productivity and automate repetitive manual processes. As a result every day becomes incrementally better than the previous one. These **Implement** several incremental improvements Turning idea into action | Results may clubbed together get reflected in a vary | Failures taken as learnings for performance level that can be a improvement benchmark for all. Everyone at Shree shares a belief that limits are to be challenged and tested. For us the supplier rated operating capacity of any equipment is the starting point that is taken as the minimum output that the equipment can surely produce. We cross this initial threshold through controlled trials and continue raising production further as an ongoing operational activity. The philosophy is to gradually increase and optimise production across all equipments and not be constrained in our actions by rated capacities. The spirit of OPEX ensures that every level of incremental production attained becomes the new base and a new starting point for another phase of bringing next level of improvement.

In a commodity product like cement, factors like demand / supply / prices are dictated by the market forces and beyond control of the manufacturer. The only lever in its hand is optimisation of cost of operations while continuing to produce a top quality product. OPEX is what helps us excel in controlling this key lever.

Our model of OPEX is fairly simple - Ideate, Evaluate and Implement. Ideation, at Shree, starts with welcoming every thought; no matter how unusual / impractical it may sound to

start with. Also ideation is not a top-down phenomena; many path-breaking initiatives have come from people at the shop floor level. Upon ideation, every idea is valued and explored for its feasibility and value into usage. Evaluation of ideas is an abstract and intuitive process to find out what will actually happen.

This is basically 'testing' before

### **F**valuate

Intuitive Process I Involves team effort | Ideated idea simulated for feasibility

'implementing'. In the evaluation process, teams sometime modify their ideas or abandon them altogether if the initial evaluation doesn't go well. Alternatives are examined, deliberated and finally workable ideas are finalised for implementation. Team leaders play crucial role in this whole process. They motivate people whose ideas are not selected or abandoned and encourage them to explore further and refine their ideas.

Once evaluated, ideas need to be translated into actions for turning them into reality. Many times result would be just as planned. There are however instances when we experience failure. Our people know that there may be mismatch between vision and execution and they take this as a natural outcome. Thus they're not afraid of failing and are able to learn from it. In fact, with each failure, their creativity levels go up. New learnings recharge them to bring their ideas into life and refuel their creativity through further experimentation. Our extensive inter-unit communication channels ensure that success gets 'Replicated' and learnings from failures get 'Communicated' across different sites. This leads the Quality change turning into Quantitative gains.

As performance breakthroughs (small or big) are achieved, an iterative process is set in motion that starts the next improvement cycle across the Organisation. While already established improvements are sustained, the goal is to continuously improve the performance of all processes to even higher levels of efficiency. Operational Excellence is thus a 24x7 mission for all of us at Shree.

### HERE ARE SOME EXAMPLES OF OPEX AT PLAY



### **Augmenting Efficiencies**

Shree has been a champion in usage of environment-friendly Waste Heat Recovery

Power (WHR-Green Power Plant) Generation Technology. While our WHR generation efficiency is already a global benchmark, our team of engineers keep working on ways and means to further raise our WHR's performance. Last year, they identified that an older turbine that was set-up in earlier years is limiting us to fully tap the power generation potential as it was designed at lower steam temperature and vacuum. Thus installation of a more efficient turbine in its place can help us in converting these plants equivalent to newer ones in terms of efficiency. Being supportive of grass-root generated ideas, management approved the CAPEX. In order to reap faster results, our engineers attempted using an existing empty turbine building to place this new turbine and thereby saved on cost and time that would have been required for building a new turbine building. The CAPEX was completed in record time and delivered much needed extra power generation. Similarly, looking to get more power generation efficiency gains, the team took up the job of adding additional cells to the Air Cooled Condensor (ACC) of our Power Plants at Ras. While ACC Technology reduces water consumption by onetenth, occasionally during summers when the ambient air temperature is high, it creates operational challenges in terms of higher heat rate and reduces generation. Instead of accepting this constraint as an operational limitation, our engineers worked on optimising the performance of our ACC. They found that adding additional cells to the ACC system can address this issue. They installed the additional cells that helped improve the cooling efficiency of the ACC system and thereby we are able to get even better heat rate and higher power generation. Be it a major change (replacing entire turbine) or a micro-incremental initiative (addition of more cells to existing ACC) Continuous Improvement is the mission our teams are always working with.



### **Efficient Material Handling**

Earlier at our Ras Railway Siding, we had a completely manual system of loading clinker in

rail rakes. Clinker was transported by road to a yard near Railway Siding and then loaded on to rakes using excavators. The loaded wagons, then, were required to go for weighing at an in-motion weigh bridge where if the weight was found to be out of tolerance range then top up or off-loading was performed accordingly. This system had several drawbacks higher material handling cost, excess detention of wagons leading to demurrage charges, dust emission, etc. Our teams were not satisfied with the current system. They brainstormed and identified that a mechanised clinker wagon loading system can bring about much needed improvement. By constructing hoppers on top of railway tracks, we are now able to do direct loading of clinker in the clinker wagons using telescopic chutes. For the first time in Indian Cement Industry, five wagons can be loaded simultaneously from five hoppers

with each hopper having a rail static weigh bridge installed below the wagon for online weighing. The entire loading operation for one rake including wagon positioning is now completed in about two-hours than 9-10 hours consumed earlier. This rapid loading system has resulted in reduction in clinker transportation and loading cost as well as dust nuisance. A faster and more sustainable method of clinker loading into wagons is helping add operational efficiency to our system.



### **Trying Alternatives**

We have been using 'Slurry Explosives' in our mines for over last 20 years. Although the results were satisfactory, but the cost part was a matter of concern. A more economical option in the form of 'Cast Booster' was also available in the market, which had additional advantage of higher velocity of detonation as compared to Slurry Explosives. There were, however, apprehensions of some possible operational issues due to the nature of our deposits. Looking at the potential for reduction in costs, our mining team decided to study the effect of this alternative explosive. A suitable vendor was explored and two faces of mine were selected for conducting trial blasts with Cast Booster. After conducting an extensive trial, it was found that the results of blasts with Cast Booster were at par or better than Slurry Explosive. Due to change in density of explosives, our blast Powder Factor (PF) increased and hence reduction in blasting cost per ton has been achieved, which is a continuous gain. Once proven, the new explosive is being used for entire blasting operations at Ras and Beawar Mines. Now we have initiated the trials for its application at other locations also. By keeping ourselves open to trying out the latest developments, our teams have time and again brought Continuous Improvement in our operating parameters.

### **Optimising Logistics**

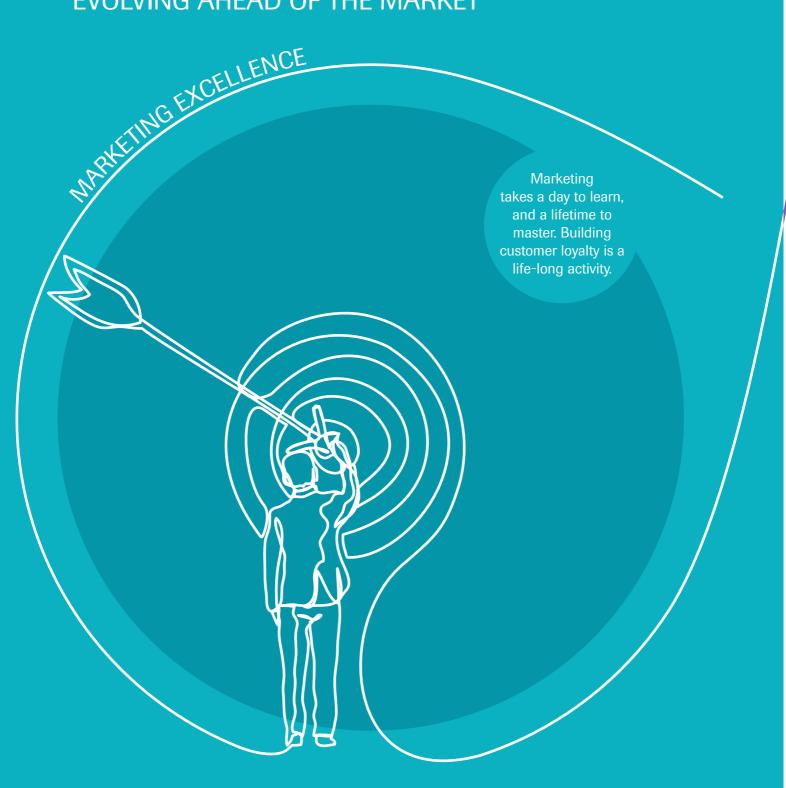


It was observed that around the month of February-March due to factors like track maintenance activities and higher railways

traffic, availability of 'Covered Rakes' for cement goes down. One scenario could be that the logistics team take this as an external factor beyond their control and reduce rail dispatches accordingly. But given Shree's culture of 'constant pursuit of betterment', our logistics team thought as to why can't the returning empty open wagons that bring coal to its plants from ports be used for cement movement. They started dialogues with Railways Officials and convinced them to allow us to use these returning open wagons of coal rakes for cement dispatch. This was a win-win solution for both parties, as during peak season period, Railways could get better track utilisation and increase their revenues while we could overcome the rake availability problem as also earned the advantage of more economical freights offered by Railways for use of open wagons.

### **WORKING PRINCIPLES**

# THE PRINCIPLE OF 'EVOLVING AHEAD OF THE MARKET'





### 'KNOWING THE PULSE OF THE MARKET IN ADVANCE'

Gaining trust of customers is a long drawn and constant process. The market is never static; nor is the customer behaviour. Hence engaging them pro-actively holds the key in building brand loyalty. For Shree, it starts with developing markets, understanding the customers and their pulse, and fine-tuning the offerings from time to time. The journey of Shree has been all about leveraging its deep understanding of the changing trends in customers requirements and evolving offerings and services along the changing trends and new developments.

It is an established fact that the behaviour of the markets keeps changing over time. That's why marketing at Shree is all about staying in close touch of customer needs and preferences. We focus on understanding changes in customer demand-cycles and their expectations. This helps in building a realistic assessment of the on-ground situation. Constant conversations and regular feedbacks from our customers help us fine-tune our strategies and redo our marketing framework. This helps us stay ahead of the curve and the Industry. We constantly evaluate the customers' needs, the timing, the market's readiness and accordingly work on our offerings. This openness of Shree to the open interpretations of developments around and being in sync with the market conditions provides a way of directing the course of our marketing initiatives and stimulates us to do all that we can to delight our customers.

### **Superior Product Quality**

We have always believed that customers have a strong ability to make a judgment of product quality. Offering superior quality than competition is the foremost important requirement to gain customer confidence and loyalty. Thus from the very beginning of Shree's journey, all its product offerings having different varieties and the brands have consistently delivered on the quality assurance made to customers.

### **Faster Delivery to our Customers**

To adapt to changing customer demands, Shree realised very early that servicing is becoming paramount and would be a critical success factor. Mere production and making the products available was not going to be enough. Customers had changed and wanted cement at doorstep and were not willing to wait. Sensing this change early enough, Shree started setting-up Grinding Units (GUs) closer to the consumption markets. Also, we widened our distribution to ensure our product was readily available through a network of our warehouses and dealers that reached as deep as to a village level. Further, be it a customer requiring 10 tons or 100 tons of cement, we ensured delivery with same speed and efficiency. From delivering small quantity at doorsteps to supplying loose cement in bulkers and letting customers store them in mobile silos set-up by us at their project sites, we have always tried to delight our customers.

### **Customer Support Services**

Our technical services teams have been our quality missionaries on the ground; educating and spreading awareness among our consumers about proper way of using of cement and concrete. Strong on quality and strong on service has helped Shree tap the customer demand in the most satisfying manner.

#### **Our Brands**

Our three brands SHREE ULTRA JUNG RODHAK, BANGUR CEMENT and ROCKSTRONG are best placed as the first choice of the customer segments they are targeted at. Having a sharp focus on the demands and expectations of their respective customer segments, they all have developed a large and loyal customer base.

### **Our New Brands**

We have now taken another strategic step in our marketing journey. In recent years the disposable incomes have been steadily rising, and so are the customer aspirations. A segment of the Cement Market is now made up of customers who see cement as the strongest pillar that supports their life's biggest project i.e. constructing their house. Thus, they want only the very best quality cement and are willing to shell out little extra for the same. Always being a front-runner in adapting to changing customer requirement, Shree started working on catering to this new emerging segment in the Cement Market. Shree has, in the last financial year, launched a revolutionary











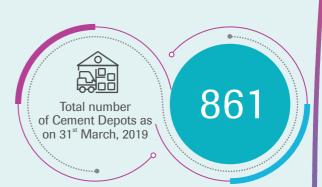
product 'Roofon', a product, matching the attributes of world's top quality cement brands, that is designed to fulfill the needs of the discerning customer. This super high quality cement brand is positioned to meet the needs of the new (and set to rapidly grow) segment of astute customer. The offering has been well received by the customers and has started getting good traction. Continuing its approach in the super highquality cement segment, another brand 'Bangur Power' has also been launched recently. What sets Shree apart is its unconventional ways. Usually, companies launch new products when existing ones don't live up to expectations. Defying the convention, Shree has launched two new products while the existing ones are doing very well.

One thing is certain that markets are going to get more competitive and customers are going to be more demanding. Our marketing mantra is simple - 'Running along-with customers and running ahead of competitors'. Shree is ever ready to create value for its customers and delight them.





On site technical support





On site cement strength check

### HERE ARE SOME EXAMPLES OF MARKETING EXCELLENCE AT PLAY

### **Digital Communication Platform**

Continuing its efforts in Customer Relationship Management (CRM), Shree has developed 'Nirman Mitra', an App which provides a digital platform for Shree to connect with its stakeholders in the marketing chain viz. Masons, Retailers, Dealers, Customers, etc. The App helps the users to know about Company's ongoing promotion and incentive schemes. They can also track the reward points they have accumulated for the cement sales generated by them. Shree gets the benefit of being able to directly communicate and broadcast important information (schemes, etc.) to its stakeholders using this mobile platform. Also since sales data from a micro level is available, it helps in tracking performance at a Mason, Retailer, Dealers area-wise level. In future, this App will be made available in multiple languages also.





### **Concrete Testing Labs**

Cement that we produce is eventually used in the form of concrete. To ensure that our best quality cement delivers benefits as a top quality concrete to our customers, we have set-up Concrete Testing Labs at all our plants. These Labs have facility for testing quality of raw material and concrete cube. We have developed our Concrete Lab at Johner (Jaipur) Grinding Unit as a model Central Lab for providing training and market support. It has all the required equipments and trained manpower available to conduct a range of tests like testing of Aggregates / Bricks / Steel and multiple tests of Concrete. This Concrete Lab provides a range of services like - technical training on building materials and concrete technology to engineers, supervisors and masons; help in developing concrete mix design for projects as per requirements in market; in-situ evaluation of concrete strength at site by Rebound Hammer and Ultrasonic Pulse Velocity Non-destructive Testing; investigation of market issues in mortar and concrete and development of their solutions; studying the impact of chemical admixture (from market) in concrete performance, etc.

The objective of our Concrete Labs is to provide quality testing / assurance services, which helps further strengthen the trust of our customers in our quality products.







# Technology Enabled Logistics - Delivering Delight to Customers

For an order to be delivered fast to the customers, it must be loaded on to the truck in the shortest time and then the truck should remain on track to reach the destination on time. Our Integrated Logistics Management System (ILMS), an automated system, tracks truck movement right from point of its entry to point of exit from factory to ensure it completes the cycle in the shortest possible time. RFID tags installed on trucks every time they enter into our premises help them navigate smoothly within the factory with use of display systems. A man-less weighbridge system helps automate the tare and final weighing process and latest truck loading machines helps save on time.

We are also encouraging use of driver relay model, wherein after a certain run (say 250 km), a driver gets down at a pit-stop and hands-over the truck to another driver for further journey. After a small rest, the driver returns back driving another truck to his home station. The idea is to ease drivers' fatigue and offer a safe stress-free experience helping them deliver better efficiency.

Apart from this, the idea of limiting the number of transporters and trucks engaged for certain fixed routes (like Clinker movement to Grinding Units) has done wonders in terms of cost saving and enhancing supply-chain efficiencies. By fixing the transporter / trucks to be used, we have assured the transporter a fixed and regular business that is available to them on monthly / quarterly basis. As our transporters are assured of regular business, they are also willing to give us the lowest freight rates. The only thing they have to then focus is on service levels and increasing efficiency.

Using the latest technological tools, our customers are assured of a faster delivery and our logistics partner are assured of good business. No wonder our logistics team has received CII's National Award for 'Supply Chain and Logistics Excellence (SCALE)' three years in a row.

### **LAUNCHING TWO NICHE PRODUCTS**

### Roofon

Good quality concrete is the foundation of the strength and long life of any construction. While concrete is the soul of any construction, cement is the soul of a top quality concrete. Cement, when used for producing concrete, faces challenges on account of factors like differing material quality at sites, local production processes and changing environment. These factors sometimes lead to concrete losing its strength before time and starts developing cracks. Thus, the quality of cement should be such which despite all these factors still produces top quality strong concrete.

By an extensive R&D process, Shree developed 'Roofon - Concrete Master', a product that suits requirements of all building sites. Using the latest

grinding techniques, Roofon is produced with very fine quality cement particles with a perfect balance between Optimised Particle Size Distribution (OPSD) and Perfect Spherical Shape (PSS). Concrete produced with Roofon has consistently shown high initial strength that further increases with time. Further, Roofon's chemical constitution has a unique ability to produce concrete which has crack resistance. The high density concrete produced with Roofon provides an air tight and water shield construction. Coming in a tamper proof LPP packing, Roofon retains its quality over a longer period. There are many more special attributes that make 'Roofon - Concrete Master' a true top quality cement. Thus 'Roofon - Concrete Master' is a worldclass quality premium cement that has a commitment to deliver only the very best and strongest concrete to every customer of ours.



### **Bangur Power**

We have recently launched a new cement brand - Bangur Power. This will cater to the demand of niche consumer segment and create significant value for the Company and all its trade partners in the existing and new markets.





### **WORKING PRINCIPLES**

# THE PRINCIPLE OF 'EMPOWERED CHAMPIONS OF CHANGE'

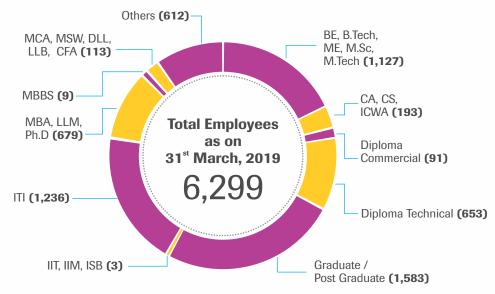


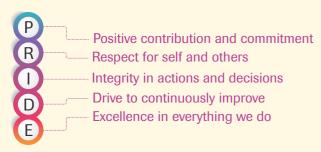


### **'WORKING TOGETHER IS SUCCESS'**

Shree is all about taking pride in who we are, what we do and what we achieve. People are the pivotal success factor in the value creation process and for making Shree a true high-performance company. Empowered, they are the Champions of Change. They are the real flag-bearers of quality and excellence. The unique people culture and practices are the key pillars on which its success stands.







People at Shree, believe in shared values and goals. All team members collaborate, share knowledge, communicate and support one another. They believe that any result positive or not is an outcome of their collaborative efforts. With this belief inculcated as Shree culture, every member of the team positively contributes and selflessly commits for the cause of the team and the organisation; has self-belief and respect for himself and for others; imbibes integrity and passion in all his actions and decisions; has tremendous drive and zeal to continuously improve and seeks to achieve excellence in all its actions. This collaborative team spirit at Shree has resulted in Continuous Improvement and made us stay at the top. Our culture is built on the strong pillar of 'Together We Perform. Together We Achieve. Together We Grow'.

Our Human Resources (HR) Function is committed to a forward-looking approach with its eyes on the future. It starts with attracting the right kind of talent, its seamless integration with the organisational objective and creating an enabling culture that sets nothing less than the continued pursuit of higher standards of performance and goals. With this objective, HR Function creates a roadmap for the growth and development of each and every team member. This roadmap encompasses more than just skill-training interventions. It covers implementing best-in-class HR Practices such as functional and general management; competency mapping and development; mentoring by seniors, cross-functional

knowledge, framework of policies and practices, roles and responsibilities, etc. The idea is that our teams always stay relevant and updated for making all the difference.

Typically, in conventional sectors like Cement and Power, people think that it will take long years for a youngster to make a mark and be able to participate in the decision-making process. At Shree, however, the culture is different. The Management shows trust in people at young age and gives them responsibility. Age does not matter at all; it is the zeal with which one takes up responsibility that makes him attract more responsibility.

With growing size of our operations spread over different geographies and to plan for the next phase of growth of the organisation, we are now working in close coordination with a professional agency to have a futuristic organisation design and structure in place. The goal is to develop a structure that ensures continuation of our unique Shree culture and practices as also help support our future growth and expansions.

It is not only the employees who are important to Shree. For us, the extended 'Shree Parivar' that includes the family members of our employees is also critical to our success. It stems from the belief that a happy employee at work is the one who is happy back home. And hence, we aim to raise the happiness quotient of the families of our employees as well.

If a business is about Man, Machine and Material, then the Man is paramount at Shree. It is the people who are the driving force behind every performance indicator, whether it relates to Processes, Safety, Health and Environment, Business Performance, Sustainability or CSR. Our people are the Champions of Change. And the Quality of our people is our differentiator.

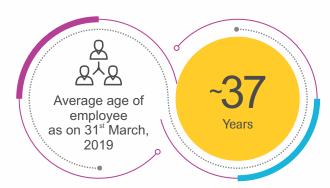




### HERE ARE SOME EXAMPLES OF PEOPLE EXCELLENCE AT PLAY

### **Higher Responsibilities to Younger Team Members**

At Shree, we believe in empowering the younger team members to take up higher responsibilities and make decisions, which are normally expected to be taken by people having much longer experience. By working under constant support and guidance of their senior members, the younger team members get groomed for taking up higher roles. Almost all internal vacancies (on account of our expansion to newer sites or employee separation) are filled up through internal movement of our people. In fact, for all geographical expansions of the Company over the years, be it in India or recent overseas acquisition, lead operational responsibilities have been handled by young members of the existing team. This has ensured dissemination and inculcation of culture of teamwork across the board and alignment of objectives at all places. This helps fulfill the growth aspirations of our motivated workforce and on other hand, Company benefits by immediate availability of leaders to undertake higher responsibilities and extension of Shree's work culture. In fact, providing opportunities at young age has been a hallmark of the HR practices at Shree.





Despite the old economy nature of cement industry, at Shree there is great deal of freedom of work given to our employees to pursue innovations and improvements in a manner they want and implement the same without having fear of any failure. Removing complex matrix of administrative and supervisory control, which typically exist in similar work environments and giving the required freedom to pursue day-to-day challenges have led to out-of-the-box solutions to challenges and next level of improvement in the organisation. This has also encouraged young members of the team to present unique ideas for Total Continuous Improvement required for maintaining a competitive edge.

A recent instance of engaged employees leading to out-ofthe-box solutions was when a team of young engineers while working on improving energy efficiency at one of our units observed that the Cement Mill was consuming 38-40 KWh/T for OPC production. Going into the system design, they observed that the Cement Mill was having two classifiers in it. They wondered if the OPC production could be carried out effectively by using a single classifier, which would cut the energy consumption. After getting a go ahead from their seniors, they started conducting trials. With repeated trials they could stabilise operating the Cement Mill to produce OPC with a single classifier only. This helped reduce power consumption of the cement mill to 32-33 KWh/T. The success of this young engaged team has now been replicated at our other Cement Mills sites.

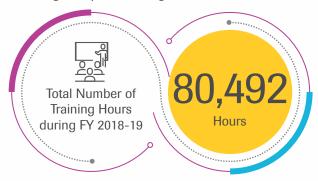
In a similar another instance, another team of young leaders observed that in one of our multi-unit plant, each unit had their own compressor, amounting to a total of 7-9 compressors being operated. The team came up with an idea of modifying the system and put one Centrifugal Compressor to operate all the plant. Once the new system was put into trial and stabilised, not only were they able to save power consumption, but the maintenance, spare-parts and manpower requirement for different compressors was also optimised.

### Increase 'Happiness Quotient' of Employees

A team member with a happy state of mind is the biggest asset of a team and a team where members have such mindsets is sure to become Champions of Change. At Shree, we believe that a person regardless of his or her ambitions or goals primarily pursues 'happiness', which comes from his work place, his family, the environment and his personal virtues. To improve this happiness quotient, Shree organises various cultural and social activities for its employees and encourages their participation along-with family members. It has state-of-the-art recreational facilities at its plant and residential colony premises for its employees. On an annual basis, various sporting events are organised for participation of the employees. On occasions like birthday and wedding anniversary of an employee, the Head of the Department personally wishes the employee and presents him a gift card on behalf of the Company.

### **Training and Development**

At Shree, training and development is in-built in our HR Model to ensure continuous alignment of our talent with the evolving business needs. Apart from the regular external training programs, we believe in providing regular training to our people by our own people. By such 'Cross Functional Training', our employees impart training related to their function to employees from other departments so as to improve their cross functional knowledge. This helps them in not only learning newer areas, but enables their all-round development. This builds capability of our employees in becoming Champions of Change.



# SUSTAINABLE IS PROFITABLE





### **End Result - 'Sustained Value Creation'**

Focus on every sphere and stakeholder of business and excellence in every activity lead to immense value creation. Our three spokes of excellence viz. Operational, Marketing and People have helped us create sustainable long-term value. Our performance in economic value creation is visible to all in hard numbers. The value creation at Shree however, isn't just about

creating value for shareholders. It is about taking all stakeholders along, catering to the environmental concerns and fulfilling our social responsibilities as an integral part of our business. With our 'Total Continuous Improvement (TCI)' approach, we strive to ensure that economic value creation for our business walks hand in hand with care for environment and the society we live in.

#### **Sustained Economic Value Creation**

Over the years, Shree has created an image of being an efficient cement producer in the cement industry. Its model of sustained value creation through continuous benchmarking in every sphere of its activities has withstood the test of time and is a way of life for everyone at Shree. This unique model of Continuous Improvements - be it a small innovation, incremental value-add, initiatives aimed at conserving resources or cutting costs - have accrued into big financial rewards given the scale of our operations; and more importantly, brought about qualitative changes in the Organisation as a whole. This is reflected in the quality of our financial health, and can be measured in the consistently high Credit Ratings and strong fundamentals.

Shree has steadily delivered returns on the invested capital that are higher than one available in the alternative investment opportunities to its investors. We ploughed back the profits judiciously into the business for capacity expansions, new projects, efficient systems, etc. Owing to its efficient usage of all its resources be it physical, financial and people, it has built competitive edge that helps it achieve better than market returns. Its not surprising that we have progressively augmented shareholder value - the focus of all the metrics - as reflected in market capitalisation of the Company, net worth, or EPS. Our shareholders who have been part of Shree's journey since we went public in 1985 have seen their investment in Shree grow at an Internal Rate of Return (IRR) of 27.13% (as on 31st March, 2019).



Time Horizon

Not that Shree has retained all its earnings for business expansion alone. It has consistently made dividend payouts that help it create long-term value for its stakeholders.

Shree's sound financials and high governance standards have helped it consistently secure one of the best credit ratings from the rating agencies.



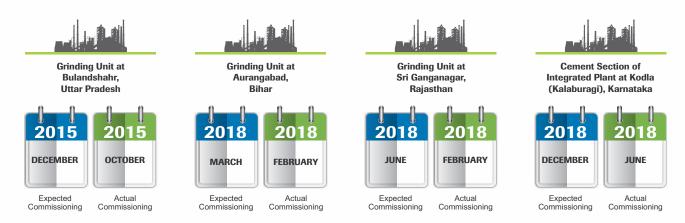
No wonder, we were able to secure ECB loans at highly competitive rates. Our average short-term borrowing costs during FY 2018-19 stood at 7.06%. We have always been agile in using the best borrowing instruments available (be it CP, WCDL, Buyers Credit, etc.) to ensure that our borrowing costs stay very competitive to prevailing market interest rates



Trust of investors has to be earned by a consistent and stable performance delivered along with an impeccable corporate governance track-record over a long period of time. Shree has earned the deep trust of its investors by consistently delivering more than what has been committed. Our 'Walk the talk' philosophy is reflected in all our projects getting commissioned well in advance of the indicative commissioning dates announced.

Similarly, Shree has managed to grow at a rapid pace (cement capacity grew by ~4 times over last 10 years, 9.1 MTPA in 2008-09 to 37.9 MTPA in 2018-19). This growth has come without letting its balance sheet loaded with debt. This indicates that Company has always maintained a very healthy cash flow generation that is able to fuel its growth.

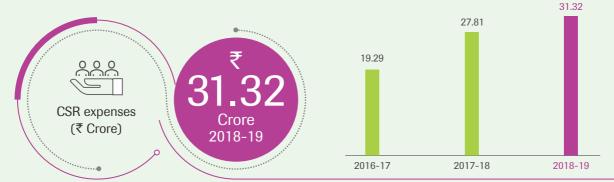
SCL's New Projects - Before time, all the time



It is important for any business to create shareholder value and gain their trust. But for Shree, it is a critical success factor.



### **Sustained Value Creation for the Community**



Shree follows a balanced growth model where economic growth walks hand in hand with care for the society we live in. We can say with pride that there has been a steady and Continuous Improvement in our CSR activities. And it is not just about more outlays, but overall excellence by way of more structured programmes, more targeted interventions and more result-oriented initiatives to bring about an effective contribution in betterment of lives of our nearby communities. We have planned initiatives in the realm of health & sanitation, education, employment skills, women empowerment, infrastructure development, water conservation, etc.

Shree also excels in spreading awareness of various State and

Central Government Welfare Schemes aimed at villagers so that they can take their advantage. Our staff also supports the villagers in availing such benefits. We support farmers by way of distribution of seeds, farming equipment and conducting know-how sessions on scientific farming. We have participated in mission-critical projects such as 'Swachh Bharat Abhiyan', 'Jal Swavlamban Abhiyan', etc.

Since inception, Shree has been active on the front of community welfare. Our economic success has only lent more muscle to our efforts and resulted in visible changes in improving the quality of life of the community in the vicinity of our operations which mostly fall in economically backward areas.



SHREE KI PATHSHALA



VOCATIONAL TRAINING PROGRAMME



SCHOOL SUPPORT PROGRAMME



SANITATION AND HYGIENE AWARENESS AMONG CHILDREN



BUILDING COMMUNITY INFRASTRUCTURE



ORGANISING HEALTH CHECK-UP CAMPS



SAVE GIRL CHILD PROGRAMME



LIVESTOCK TRAINING PROGRAMME



CONSTRUCTION OF WATER TANKS



CONSTRUCTION OF GIRLS HOSTEL

### **Sustained Environmental Value Creation**

Sustainable growth journey of Shree is all about safeguarding the natural capital as it fully understands that existence of any business operation is reliant on the basic natural resources that the planet offers.

We have sustained our environmental value creation on the pillars of our incessant efforts towards Resource Conservation, Efficiency and Productivity. Be it reducing our specific energy and power consumption, or water conservation, or increasing longevity of mines, cutting specific carbon emission to enhancing green cover, or adoption of alternative fuels or raw materials to ease burden on natural sources; all measures take priority at Shree.

Shree actively participates in Carbon Disclosure Project (CDP), a global disclosure system, to report and benchmark its environmental impact. We have recently also become signatory to Science Based Targets (SBT) and shall now be developing a science based emission reduction target that shall help manage the risk climate change poses to the future of our planet.

From Mining to Manufacturing, Continuous Improvements in the areas of utilising resources, effectiveness of processes, and enhancing output reflect our commitment to sustainable development. We are among the leaders in India to harness Waste Heat into Power as a major clean & green energy source. Today, we have the distinction of having the largest Waste Heat Recovery Power Plant (WHRPP) capacity in the global (excluding China) cement industry. We have added a 21 MW Wind Power project into our green energy generation portfolio. During 2018-19, our ratio of consumption of green power to our total power consumption is 41% which is the highest in the Indian cement industry.

We were the first Company in India to develop Synthetic Gypsum in order to replace natural Gypsum for cement manufacturing. We have also received a patent from Government of India for our invention 'An improved process for preparing Synthetic Gypsum for use in Cement Production'.

In this age and era, Shree has ambitious plans to make the most of Renewable Energy. In addition to our operational Green Power (Waste Heat Recovery) and Wind Power Plants, we are now working towards tapping Solar Energy at larger scale. With a continuing focus on enhancing our Green Power (Waste Heat Recovery) capacity and building our Wind and Solar power portfolio, we are committed to widen our Green Power portfolio. That's because Shree has always embedded sustainability through its green initiatives across its operations. For us, sustainability is securing today's growth in a manner that secures interests of the next generations as well as leaves a greener planet for them.



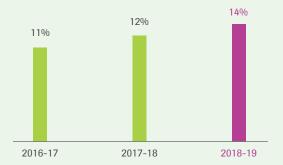


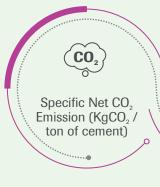






140/0
Usage of re-cycled water improving every year



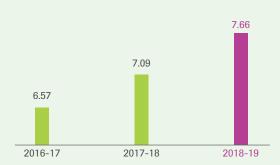


543
KgCO<sub>2</sub>/ton of cement
Far below than average industry standard of 588
KgCO<sub>2</sub>/ ton of cement of year 2017





22.8%
High share of ARM in total raw material consumption in 2018-19 saving natural resources



**GLOBAL FOOTPRINTS** 

# ACQUISITION OF UNION CEMENT COMPANY (UCC)

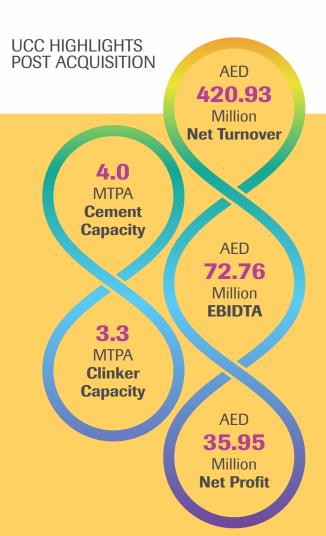


Sheikh Khalid Bin Saud Al Qasimi, Vice-Chairman of Investment and Development Office, Govt. of Ras al Khaimah, UAE (Left), Shri B. G. Bangur, Chairman (Middle) and Shri H. M. Bangur, Managing Director (Right) on the occasion of conclusion of the deal on 11<sup>th</sup> July, 2018

# Overview of Union Cement Company

- Established in year 1972, the First Cement Manufacturer in UAE
- One of the Largest Integrated Cement Plant in UAE
- Leading producer of highquality API Grade Oil Well Cement
- An ISO 14001 and OHSAS 18001 Certified Company







### **Strategic Plant Location**

The Plant is located within 1 kilometer reach of Saqr Port in Ras al Khaimah, giving access to key export destinations like GCC Countries, Africa and South Asia



### HALL OF FAME

## **AWARDS AND ACCOLADES**







### Mr. D.D. Wanjale

Managing Director, Gebr. Pfeiffer (India) Pvt. Ltd.

We, Gebr. Pfeiffer have been actively associated with Shree Cement for its various cement projects, for proud 25 years now. With their strong project executional skills and experience, they exactly know 'what they need' and 'how they need'. This sets the tone for us to supply equipment as per their requirement. Due to detailed qualitative planning and instructions, there have been hardly any lags in supplying the equipment to them, which is reflected in their record-breaking performances year after year.



### Mr. Ritesh Dungarwal

Managing Director, Vesuvius India Ltd. Working with Shree Cement

is always a pleasure. Shree Cement has a very transparent and fair procurement system; managed by a thorough professional team. People at Shree keep an open mind during negotiations and establish a personal rapport with the vendor. The level of responsiveness they offer during crucial times is reassuring. They are amazingly quick in decision making and incredibly easy to work with.



Refractory Vendor

### Mr. A P Abdul Kareem

Chairman & Managing Director, Hajee A. P. Bava & Co. Constructions Pvt. Ltd.

We have had the opportunity to work with Shree Cement on its various projects. For us, Shree Cement means capacity, competence and character; represented by a very efficient and motivated group of people. Their team is dedicated towards swift execution and providing overall support and motivation to the contractors.

Community Leader

Local

# Mr. Atul Yadav

Partner, Krishna Transways LLP Logistics Management of Shree Cement is a benchmark for the whole Cement Industry. Shree extensively uses Information Technology tools to reduce the truck cycle time. Shree's transparent online reverse freight bidding system yields benefits which are enjoyed mutually. Top that with swift payments, encourages us to allocate our fleet more and more to Shree Cement.



**Logistics Partner** 

### Mr. Subhan Kathat Ex- Sarpanch, Gram Panchayat, Village Jhak, Tehsil-Masuda,

We have seen Shree grow in front of our eyes since its inception to its current position. With its inclusive growth approach, there has been a positive and meaningful impact on our lives. They have worked on many fronts such as education, health, agriculture, employability, water availability, infrastructure development, etc.; which have been immensely beneficial for us and have elevated the overall living standards.





# Middle Level Employee

### Mr. Anurag Patodi

Asst. General Manager - Taxation At Shree Cement, if you are eager to learn and willing to prove yourself, the organisation will trust you with its most important tasks and assign those responsibilities. The most important factor is no 'fear of failure', which encourages everyone to think out-of-thebox and go beyond their previous set self-benchmarks. If you perform, you will achieve newer heights of success and grow professionally.





Employee

Veteran

### Mr. Khushal Upadhyay

Graduate Engineer Trainee Joining Shree Cement has been one of the best professional decisions of my life. Immediately after my joining in the first month itself, I was inducted into an upcoming project execution team, which is much like a dream come true for any trainee engineer. I have learnt many things at such early stage in my carrier. I have been part of various open brainstorming sessions with my colleagues where there is a complete freedom to share process improvement thoughts and implement my classroom learnings in practical application. Beauty is that I am constantly encouraged to outdo myself.



### Mr. Sanjay Jain Vice President - O&M

Since the very beginning, it has been Shree's endeavour to create an organisation that would add value to every employee. Shree is a place where individuals come at different levels with different skill sets, aspirations and attitudes and become part of 'Shree Parivar'. Here they learn to think independently, be creative and push themselves out of their comfort zone. This is an organisation that adds significant value to each employee and it helps each individual reach her or his highest potential.



### Mr. Anik Sen Global Head of Equities, PineBridge Investments

For its investors, Shree Cement has proven to be a long-term value creator. Due to its strong business fundamentals, operational excellence, good governance and corporate citizenship, it has been able to out-compete its peers. What sets them apart is their track record of 'walking the talk' over these years. We look forward to continuing our long association with Shree.

### STRATEGIC THINKERS

### PROFILE OF DIRECTORS

Shri B. G. Bangur Chairman



Shri B. G. Bangur is B.Com. (Hons) from Calcutta University and he brings to Shree an extensive experience of the Industry. He is Director in The Marwar Textiles (Agency) Pvt. Ltd., Shree Global FZE, Shree Enterprises Management Ltd., Shree International Holding Ltd. and Union Cement Company (Pr.JSC). He has also been actively associated with various philanthropic and charitable institutions and trusts.

Shri H. M. Bangur is a Chemical Engineer from IIT, Mumbai. He brings to the Board technical insights, which are a driving force of the technical excellence achieved by the Company. Shri Bangur is President of Rajasthan Foundation, Kolkata Chapter. Shri Bangur was the President of the Cement Manufacturers' Association (CMA) between 2007 and 2009 and Ex-executive Member of FICCI. He has been awarded with the prestigious "Ernst & Young Entrepreneur of the Year Award 2016" and "Forbes Leadership Award 2017". He is also Chairman of "The Bengal" an NGO actively engaged with Kolkata Police to provide all possible help to the old age people living alone.



Shri H. M. Bangur **Managing Director** 



Shri Prashant Bangur, Joint Managing Director

Shri Prashant Bangur is a graduate from the Indian School of Business, Hyderabad. He joined Shree Cement in 2004 and since then has been involved in all strategic policy and operational matters of the Company. He has been providing critical insight and direction in all management decisions in the Company. He joined the Board of the Company in 2012. Shri Bangur is a Committee Member of Indian Chamber of Commerce, Kolkata and also member of Managing Committee of Bharat Chamber of Commerce & Industry, Kolkata and of Indian School of Business, Hyderabad. He is member of National Management Committee of Cement Manufacturers' Association (CMA), which is the prime body for policy advocacy for Cement Industry in India. He is a strong proponent of sustainable development considering his contribution and role in sustainable development initiatives. He is also Director in Khemka Properties Pvt. Ltd. and Ragini Properties Private Limited.

Shri R. L. Gaggar Independent Director



Shri R. L. Gaggar is a B. A. (Hons) from Calcutta University and is a renowned Solicitor and Advocate based at Kolkata. He is practicing as a Solicitor and an Advocate at the High Court of Kolkata for more than 50 years. Shri Gaggar is also on the Board of Duroply Industries Limited, TIL Limited, Paharpur Cooling Towers Ltd., Sumedha Fiscal Services Ltd., Machino Polymers Ltd., Subhash Kabini Power Corporation Ltd., International Combustion (India) Ltd. and Mayfair Hotels & Resorts Limited

Dr. Y. K. Alagh is a noted economist and visiting professor to several renowned national and international institutions. He holds a Doctoral Degree and Master's Degree in Economics from University of Pennsylvania. He is Chancellor of Gujarat Central University and Vice Chairman of Sardar Patel Institute of Economic and Social Research, Ahmedabad. He is also a Trustee of Institute of Human Development, New Delhi and Chairman of Advisory Committee of N. M. Sadguru Water and Development Foundation, Dahod (Gujarat). He was earlier the Minister of Power and for Planning and Programme Implementation with additional charge of the Ministry of Science and Technology. He has been Member of Planning Commission (in the rank of Minister of State). He has been Chairman, Bureau of Industrial Costs and Prices, Ministry of Industry. He has several books and over a hundred articles to his credit, published both at home and abroad. He has travelled widely and represented India in a number of high level official delegations and seminars. He was an invitee to the Climate Policy Game Group of The Committee of American Progress, the findings of which were presented in Paris and invited to develop a sustainable development scenario for 2030 for the Canadian G8/G20 Munk Institute for the G20 meeting in Seoul. He is on the Board of ADJB

Production Pvt. Ltd.



Dr. Y. K. Alagh Independent Director



Shri O. P. Setia Independent Director

Shri O. P. Setia is M. Com. from Delhi University and an eminent Banker. He was the Managing Director of State Bank of India and has held many key positions in its associate banks.

### Shri Shreekant Somany **Independent Director**



Shri Shreekant Somany is an industrialist who holds a Bachelor of Science degree from Calcutta University and is currently on the Board of Somany Ceramics Limited, SR Continental Ltd., Somany Bathware Limited, Sarvottam Vanijya Ltd., Scope Vinimoy Private Limited, JK Tyre and Industries Limited and Indian Council of Ceramic Tiles and Sanitaryware. He is also the President of Indian Ceramic Society and Member of National Council -Confederation of Indian Industry (CII).

Shri Nitin Desai is a graduate from London School of Economics and a well-known Economist and has had a long and distinguished career in the Government of India and United Nations. Shri Desai is the Chairman of the Governing Council of The Energy and Resources Institute (TERI), Honorary Professor at the Indian Council for Research in International Economics Relations (ICRIER), Honorary Fellow of the London School of Economics and Political Science, UK. He is connected with the Governing Bodies of several NGOs and Research Institutions. He is also a member of the National Broadcasting Standards Authority. Shri Desai has worked at senior levels in the Planning Commission from 1973 to 1987. From 1988 to 1990, he was the Chief Economic Advisor and Secretary in the Department of Economic Affairs in the Ministry of Finance. In 1990, he joined the United Nations as Deputy Secretary General of the 1992 Rio Summit on Environment and Development and served later as Under Secretary General dealing with economic and social affairs from 1993 to 2003. He is on the Board of Shakti Sustainable Energy

Foundation.



Shri Nitin Desai **Independent Director** 



Dr. Leena Srivastava **Independent Director** 

Dr. Leena Srivastava is the Vice Chancellor of the TERI School of Advanced Studies, New Delhi - A unique inter-disciplinary higher education institution, focused on sustainable development. She is a member of various Committees and Boards both at the international and national levels, including the Advisory Board to the President of ADB on climate change and sustainable development; Co-Chair, Future Earth Advisory Committee; Member, Ad Hoc Informal Multi-stakeholder Technical Group of Advisors on Sustainable Development Goal 7, United Nations and on the Board of Bharti Infratel Limited. Dr. Srivastava has several publications to her credit. She has done her Masters in Economics from the University of Hyderabad and a Ph.D. in Energy Economics from the Indian Institute of Science in Bangalore, India.

### Shri Sanjiv Krishnaji Shelgikar Independent Director



Shri Sanjiv Krishnaji Shelgikar is a Veteran Chartered Accountant and has been practicing his profession since 1978. He has also contributed as Special Editor to the book 'The Companies Act' written by A. Ramaiya. He has worked with the Finance Department of Videocon Group, handling all local IPOs, international mobilisation of debt and equity, global and local mergers and acquisitions, domestic and international structured financial products for the Group's finances. He is on the Board of Joy Holdings Private Limited, Magrolia Leasing and Infotech Pvt. Ltd., Archangel Leasing and Infotech Pvt. Ltd., Yunus Mumbai Foundation, Slum Dwellers Development India Pvt. Ltd., Microcredit Initiative of Grameen, Taegutec India Private Limited, Micro Housing Solutions India Private Limited, Black Swan Venture Capital Private Limited, Mobile Search Engine Private Limited and NRS Micro Systems Private Limited.

Shri P. N. Chhangani is a Chemical Graduate having over 34 years of rich experience in Cement and Related Industries. He was working with the Company as President (Works) and Supervising overall Cement Plant Operations of the Company.

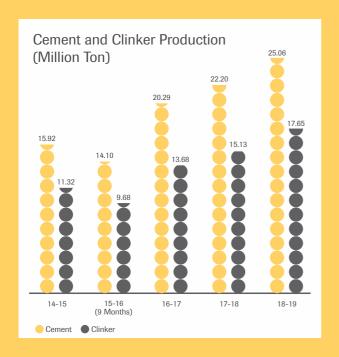


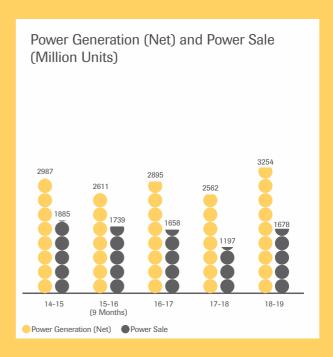
Shri P. N. Chhangani Whole Time Director

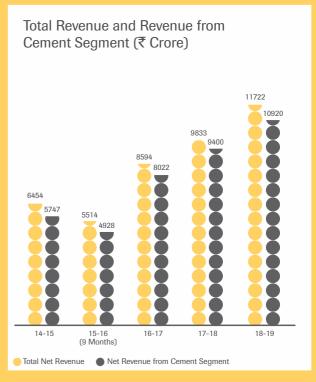


### PERFORMANCE REVIEW

# PERFORMANCE HIGHLIGHTS

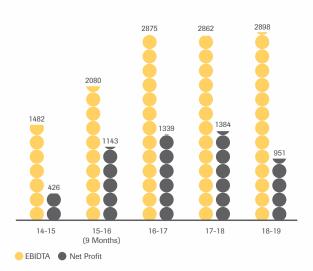




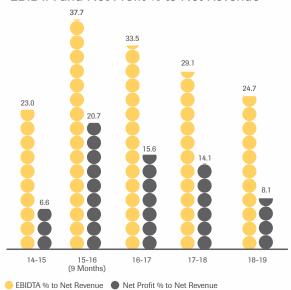


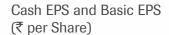
Note: Figures for the year 2015-16 onwards are in accordance with Ind AS.

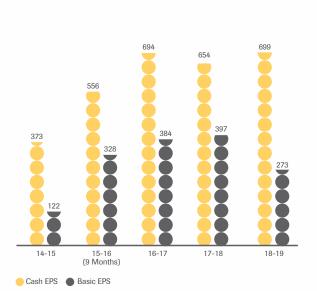
# EBIDTA and Net Profit (₹ Crore)



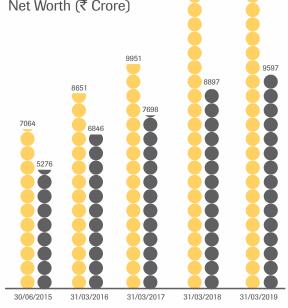
### EBIDTA and Net Profit % to Net Revenue







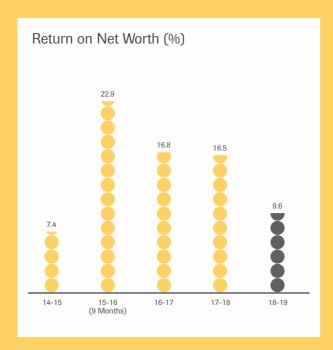
Capital Employed and Net Worth (₹ Crore)

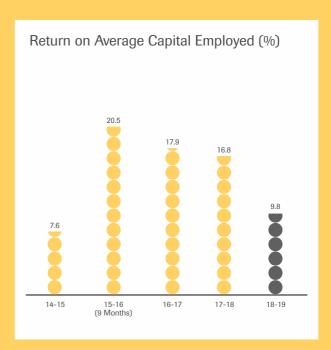


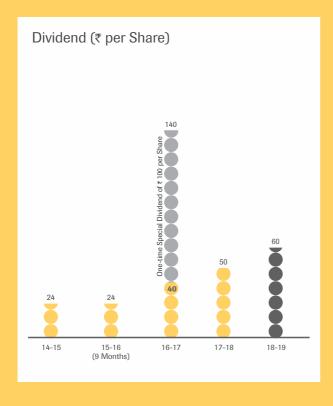
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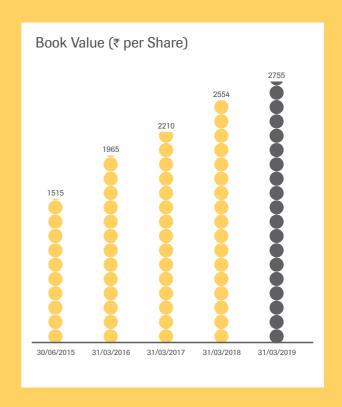
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### PERFORMANCE REVIEW

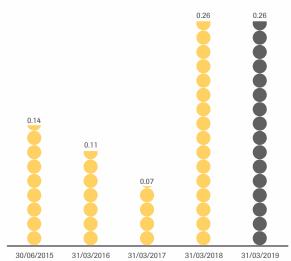




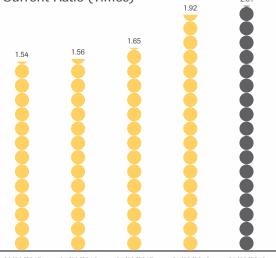




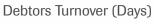
## Debt Equity Ratio (Times)

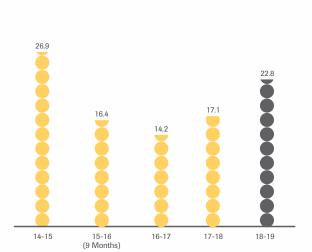


## Current Ratio (Times)

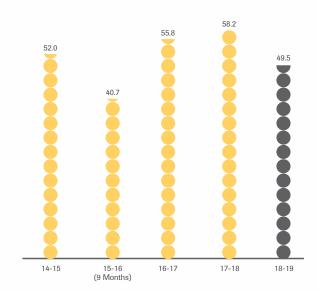


14-15





## Inventory Turnover (Days)



## FIVE YEARS' HIGHLIGHTS

### **OPERATIONAL PERFORMANCE**

Particulars	2014-15	2015-16 (9 Months)	2016-17	2017-18	2018-19
Cement Production (Lac MT)	159.22	140.99	202.87	222.02	250.63
Cement and Clinker Sales (Lac MT)	161.62	142.43	205.86	225.34	258.61
Net Power Generation (Lac Kwh)	29,874	26,114	28,946	25,622	32,536
Power Sales (Lac Kwh)	18,851	17,390	16,583	11,965	16,782
Power Consumption (Kwh / Ton of Cement)	73.78	72.13	69.99	68.67	69.05
Fuel Consumption (Kcal / Kg of Clinker)	757	719	718	728	719

### **FINANCIAL PERFORMANCE**

### **Profit & Loss Statement**

(₹ in Crore except per share data)

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Particulars	2014-15	2015-16 (9 Months)	2016-17	2017-18	2018-19
Net Revenue from Operations	6,453.57	5,513.64	8,594.30	9,833.10	11,722.00
Other Income	137.85	672.68	361.77	389.05	245.40
Total Net Revenue	6,591.42	6,186.32	8,956.07	10,222.15	11,967.40
EBIDTA	1,481.70	2,079.59	2,874.94	2,861.83	2,898.22
Depreciation and Amortisations	924.78	827.57	1,214.71	899.40	1,391.68
Finance Costs	120.63	75.77	129.42	135.27	246.98
Exceptional Items	-	-	-	-	178.13
Profit Before Tax	400.83	1,176.25	1,530.81	1,827.16	1,081.43
Tax Expense	(25.50)	33.12	191.70	442.98	130.38
Net Profit	426.33	1,143.13	1,339.11	1,384.18	951.05
Cash EPS (in ₹)	372.81	556.02	694.45	654.47	698.54
Basic and Diluted EPS (in ₹)	122.38	328.13	384.39	397.33	273.00

Balance Sheet (₹ in Crore)

Particulars	As at 30 <sup>th</sup> June, 2015	As at 31 <sup>st</sup> March, 2016			As at 31 <sup>st</sup> March, 2019
Net Block of Fixed Assets	3,004.33	3,050.17	2,599.12	3,589.18	4,475.67
Shareholders' Fund	5,276.40	6,845.53	7,698.14	8,896.83	9,597.39
Total Capital Employed	7,064.47	8,651.35	9,950.89	13,369.54	13,695.50

### **Key Ratios**

Particulars	2014-15	2015-16 (9 Months)	2016-17	2017-18	2018-19
EBIDTA to Net Revenue from Operations (%)	22.96	37.72	33.45	29.10	24.72
Return on Net Worth (%)	7.36	22.85	16.75	16.47	9.61
Return on Average Capital Employed (%)	7.64	20.47	17.85	16.83	9.82

### Notes:

- 1. Figures for the Financial Year 2015-16 have been annualised for calculating Return on Net Worth (%) and Return of Average Capital Employed.
- 2. Figures for the year 2015-16 onwards are in accordance with Ind AS.

## TWENTY FIVE YEARS HIGHLIGHTS

Year			Clinker Production (Lac MT)	Cement Production (Lac MT)	Cement Sales (Lac MT)	Net Revenue (₹ in Crore)	Shareholders' Fund (₹ in Crore)	Book Value (₹ per Share)
1993-94			8.58	8.76	8.89	127.70	71.24	28.92
1994	4-95		8.93	9.27	9.27	149.91	88.59	35.99
1995	5-96		8.88	8.62	8.68	176.10	134.87	46.46
1996	5-97	(15 months)	10.79	11.85	11.62	208.95	182.03	52.25
1997	7-98		14.36	17.26	16.62	280.59	190.57	54.70
1998	3-99		19.45	20.44	20.91	372.76	196.54	56.42
1999	9-00		22.85	23.12	23.10	409.68	219.39	60.82
2000	D-01		21.13	23.83	24.00	466.85	247.06	66.61
2001	1-02	(9 months)	16.25	18.06	18.02	333.51	215.61	57.58
2002	2-03		22.85	27.47	27.25	455.69	222.40	63.84
2003	3-04		22.94	28.41	28.41	473.23	251.38	72.16
2004	4-05		24.83	30.16	30.61	582.08	289.49	83.10
2005	5-06		27.71	32.20 32.03 669.39	296.30	85.05		
2006	07		35.06	47.99	47.99 48.33 1,367.98		454.55	5 130.48
2007	7-08	46	46.23	63.37	63.34	2,109.12	672.81	193.13
2008	3-09		64.18	77.65	77.36	2,710.63	1,210.02	347.33
2009	9-10		80.45	93.72	92.71	3,632.12	1,833.24	526.23
2010	D-11		74.65	94.28	93.38	3,453.53	1,986.18	570.13
2011	1-12	(15 months)	102.88	142.02	142.06	5,799.52	2,733.93	784.77
2012	2-13		86.82	123.32	122.77	5,590.25	3,843.65	1,103.32
2013	3-14		98.62	142.22	140.66	5,887.31	4,710.87	1,352.25
2014	4-15		113.18	159.22	157.45	6,453.57	5,276.40	1,514.59
2015	5-16	(9 months)	96.83	140.99	141.08	5,513.64	6,845.53	1,965.00
2016	5-17		136.82	202.87	200.73	8,594.30	7,698.14	2,209.74
2017	7-18		151.34	222.02	220.18	9,833.10	8,896.83	2,553.83
201	8-19		176.50	250.63	248.76	11,722.00	9,597.39	2,754.92
		25 Years	20.57	28.61	27.97	91.79	134.72	95.26
	Absolute	20 Years	9.07	12.26	11.90	31.45	48.83	48.83
_	No. of	15 Years	7.70	8.82	8.76	24.77	38.18	38.18
Ŧ	Times	10 Years	2.75	3.23	3.22	4.32	7.93	7.93
>		5 Years	1.79	1.76	1.77	1.99	2.04	2.04
0		25 Years	12.86%	14.36%	14.25%	19.82%	21.67%	19.99%
<u>~</u>		20 Years	11.66%	13.35%	13.18%	18.82%	21.46%	21.46%
O	CAGR	15 Years	14.57%	15.62%	15.56%	23.86%	27.48%	27.48%
		10 Years	10.65%	12.43%	12.39%	15.77%	23.01%	23.01%
		5 Years	12.35%	12.00%	12.08%	14.77%	15.29%	15.29%

### Notes

- $1. \ \ Net \, Revenue \, for \, FY \, 2008-09 \, onwards \, includes \, amount \, of \, Power \, Sales.$
- 2. Figures for the year 2015-16 onwards are in accordance with Ind AS.

# BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

### Dear Members,

The Directors take pleasure in presenting the 40<sup>th</sup> Annual Report together with the Audited Financial Statements for

the year ended 31<sup>st</sup> March, 2019. The Management Discussion and Analysis has also been incorporated into this report.

### 1. FINANCIAL PERFORMANCE

A brief of financial performance for the year gone by and its comparison with previous year is given below: - (₹ in Crore)

Particulars	Stan	dalone	Consoli	Consolidated	
	2018-19	2017-18	2018-19	2017-18	
Revenue from Operations	11,722.00	10,159.53	12,554.65	10,159.53	
Less :- Excise Duty	-	326.43	-	326.43	
Net Revenue from Operations	11,722.00	9,833.10	12,554.65	9,833.10	
Other Income	245.40	389.05	249.76	389.05	
Total Income	11,967.40	10,222.15	12,804.41	10,222.15	
Profit Before Interest, Depreciation and Taxes	2,898.22	2,861.83	3,043.44	2,861.80	
Finance Costs	246.98	135.27	247.86	135.27	
Depreciation and amortization expenses	1,391.68	899.40	1,471.81	899.40	
Exceptional items	178.13	-	178.13	-	
Profit Before Tax	1,081.43	1,827.16	1,145.64	1,827.13	
Tax Expense	130.38	442.98	130.59	442.98	
Profit After Tax	951.05	1,384.18	1,015.05	1,384.15	

### 2. DIVIDEND AND RESERVE

- During the year 2018-19, Company has paid Interim Dividend of ₹25/- per share.
- Apart from above, a Final Dividend of ₹ 35/- per share for 2018-19 has been recommended by the Board, which will be paid after approval of Members in ensuing Annual General Meeting (AGM).
- Total dividend payment thus works out to ₹ 60/per share for year 2018-19 as against ₹ 50/- per share for the year 2017-18.
- Total dividend relating to the year 2018-19 amounts to ₹ 251.98 crore (including dividend distribution tax of ₹ 42.96 crore) as against ₹ 209.84 crore (including dividend distribution tax of ₹ 35.66 crore) for the year 2017-18.
- During the year an amount of ₹ 200 crores was transferred to General Reserves.

The Board of Directors of the Company in line with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 had approved Dividend Distribution Policy on 12<sup>th</sup> August, 2016. The Policy is uploaded on Company's website and can be accessed at the link https://www.shreecement.com/pdf/dividend-policy.pdf.

## 3. MANAGEMENT OUTLOOK OF MACRO ECONOMY AND INDUSTRY

### I. Indian Economy-Developments and Outlook

The Indian economy is likely to record growth rate of 7% during 2018-19 as per advance estimates of the Central Statistics Office (CSO). This is the lowest during last 5 years. The drop in GDP growth is mainly due to sharp decline from 5% to around 2.7% in the agriculture sector (especially during second half of 2018-19). The Agricultural and

Rural sectors are going through a difficult period. While service sector is also expected to show mild moderation from 8.1% to 7.4% levels, industry and manufacturing sector is likely to show good improvement in growth to 7.7% from 5.9% in last year.

CPI headline inflation at around 3.5% during the year has also remained stagnant at the similar levels observed last year. Importantly it stayed within the 4% target set by RBI. The benign inflation has given room to RBI which cut its policy rates twice recently to give much needed impetus to the economy. As a result of easing rates and overall pick up in industrial, retail and commercial segments, credit off-take from the banking system is growing at a buoyant pace. This has helped push industrial growth which, as measured by Index of Industrial Production (IIP) is expected to clock around 4.5% level continuing on 4.4% growth witnessed in the previous year.

India continues to be one of the fast growing economies of the world. In recent years, growth has largely been consumption driven as investment has fallen on the back of high leverage in the corporate sector and high non-performing assets (NPA) in the banking sector. It appears however that, declining investment has bottomed out with fixed investment in 2018-19 increasing in proportion to GDP. Considering slackening global economic growth and consequently FDI/FPI inflows in India are expected to be better. As such, easy monetary policy is expected to continue. Accordingly, Indian economy is expected to witness rebound in growth in its industrial and service sectors. Agriculture sector economy is also expected to perform better on account of expectation of normal monsoon with welldistributed rainfall as well as ₹ 6,000/- p.a. income support for marginal farmers announced by Government of India. It is widely expected that there shall be a surge of reforms after the new Government come into place in June which shall boost the economy. The outlook for Indian economy for 2019-20, therefore, looks positive.

In 2018-19, Indian rupee suffered because of crude price shock, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Crude oil price has again started showing rising trend. This may also lead to fast depreciation in Indian rupee. These are the major risks to India's current account and overall economic growth.

### II. Cement Industry – Development and Outlook

Indian cement industry witnessed a remarkable growth of approx. 13% during 2018-19 on the back of 6.3% recorded in 2017-18. The demand growth has taken Cement production during 2018-19 to around 337 million tons. The strong cement demand is driven by higher infrastructure spend, affordable housing and pick-up in rural demand. The construction of houses under government's flagship scheme, Pradhan Mantri Áwaas Yojana (Housing for all) showed impressive progress resulting in good demand for cement. The Infrastructure activities especially in roads and metro projects have also been a big cement demand driver. In fact, with Government's infrastructure push and launch of several mega infrastructure projects, cement demand is seeing a gradual shift from housing towards infra. This is leading to increase in shares of cement demand from infra sector in overall demand. Upward trend observed in urban residential and commercial realty led by accelerated urbanization, rapid

migration and the rise in population of aspiring youth in major cities of the country is also helping growth in cement demand.

Government schemes such as PM-KISAN and overall high minimum support prices for major crops coupled with prospects of normal monsoon are expected to drive demand in rural areas. Government's continued thrust on affordable housing and infrastructure developments projects are likely to aid cement demand growth. Outlook for cement sector thus looks positive.

### III. Power Sector - Development and Outlook

Country has large power generation capacity which is far excess of the capacity required to meet the demand. Though Government of India's focus on attaining 'Power for all' has helped increase in demand for power in the country, excess capacity is leading to many power plants running on low capacity utilization levels. This has caused stress in the sector and debt repayment issues. While new capacity addition in conventional power space has slowed now, the renewable energy space, because of drop in capital costs and government's push, is witnessing good traction.

During 2018-19, because of surplus capacity in the country, prices for power continued to remain depressed although in some months prices did witness upward trend mainly because of coal availability issues, poor rains, elections etc. The market for electricity trading in India is dependent on health of State distribution Companies. As most of these Companies have poor financials, they don't go for power procurement if prices are high. The Sector is therefore, expected to continue to reel with uncertainty in terms of both power procurement and prices.

### 4. STATE OF THE COMPANY AFFAIRS

Brief summary of the Company's standalone performance is as under:

Particulars		Unit	2018-19	2017-18	+/-%
Cement Product	Cement Production			22.20	12.88%
Cement & Clinke	er Sale	Million Tons	25.86	22.53	14.78%
Power Generation	on (Net)	Million Units	3,253.62	2,562.16	26.99%
Power Sale		Million Units	1,678.20	1,196.53	40.26%
Revenues					
Cement (Net of	Excise/GST)	₹ Crore	10,920.12	9,400.09	16.17%
Power		₹ Crore	801.88	433.01	85.19%
Total Revenue		₹ Crore	11,722.00	9,833.10	19.21%
Operating	- Cement	₹ Crore	2,471.26	2,458.35	0.53%
Profit	- Power	₹ Crore	181.56	14.43	1,158.21%
(EBIDTA)	- Other Income	₹ Crore	245.40	389.05	(36.92)%
	- Total	₹ Crore	2,898.22	2,861.83	1.27%
EBIDTA Margin		%	24.72%	29.10%	-
Finance Costs		₹ Crore	246.98	135.27	82.58%
Depreciation and	Depreciation and amortization expenses		1,391.68	899.40	54.73%
Exceptional items		₹ Crore	178.13	-	-
Profit Before T	Profit Before Tax		1,081.43	1,827.16	(40.81)%
Tax Expense	Tax Expense			442.98	(70.57)%
Net Profit		₹ Crore	951.05	1,384.18	(31.29)%

### I. Cement Business

- Cement and Clinker Sale volume were up at 25.86 Million Tons recording a growth of 14.78% over previous year. This was mainly because of significant strides made by the Company in Eastern India market and new capacity addition in southern market.
- Net cement price realizations marginally improved during the year. The increase in cost however, outpaced the increased realizations this year as well.
- Net Cement revenue jumped 16.17% to ₹10,920.12 Crore on the back of increased sale volumes as well as better price realizations.
- Increase in prices of Petcoke and Imported Coal resulted in increase in power & fuel cost. Led by its consistent efforts towards route optimization and other improvement measures, Logistics cost was contained marginally despite increase in diesel and other input costs.

### II. Power Business

Performance of Power business improved during the year as a result of improved sales volumes as well as better price realization. Overall power sale volumes increased to 1,678.20 Million Units in 2018-19 as against 1,196.53 Million Units in 2017-18. This together with better price realization, resulted in revenue from Power Sale (including income from power trading) going up to ₹ 801.88 Crore in 2018-19 as against ₹ 433.01 Crore in 2017-18. EBITDA of Power Business jumped to ₹ 181.56 Crore in 2018-19 as against ₹ 14.43 Crore in 2017-18.

### III. Net Profit

During the year, net profit was impacted due to (a) fair value loss of ₹ 178.13 crore booked in respect of investment in preference shares of IL&FS group upon same being downgraded by rating agencies to junk status and (b) Mark-to-Market loss of ₹ 134.23 crore on External Commercial Borrowing (ECB) taken by the Company.

### IV. Key Financial Ratios

Key financial ratios of the Company showing financial performance are as under:

Particulars	2018-19	2017-18	% Change	Remarks
Operating Profit Margin (%)	24.72%	29.10%	(15.05)%	No significant change
Net Profit Margin (%)	8.11%	14.08%	(42.40)%	Higher depreciation due to new projects completed during the year
Return on Net Worth (%)	9.61%	16.47%	(41.65)%	
Interest Coverage Ratio	11.73	21.16	(44.57)%	Due to increase in Finance Cost in view of interest expenses on External Commercial Borrowings
Debtors Turnover (Days)	22.81	17.05	33.78%	Higher due to increase in debtors related to power sales
Inventory Turnover (Days)	49.48	58.24	(15.04)%	No significant change
Current Ratio (Times)	2.01	1.92	4.69%	No significant change
Debt-Equity Ratio (Times)	0.26	0.26	-	No change

### V. New / Expansion Projects

Company completed following projects during the year 2018-19:-

- Integrated Cement Plant having capacity of 3.0 MTPA at Kodla in Kalaburagi (erstwhile Gulbarga) District of Karnataka.
- Commissioned balance 6.3 MW (3 Wind Towers) out of 21 MW Wind Power Plant at Village Kustagi, District Koppal in Karnataka.

Further, Company has following on-going projects:-

- Clinker grinding unit of 2.5 MTPA at Seraikela-Kharsawan District in Jharkhand which is expected to be operationalized by June, 2019.
- Clinker grinding unit of 3.0 MTPA at Athagarh Tehsil in Cuttack District of Odisha which is planned to be completed in first half of FY 19-20.

 Setting up of 3.0 MTPA Clinker Grinding Unit in Patas District of Maharashtra which is expected to be completed in first half of FY 20-21.

### VI. Acquisitions and Mergers

### (i) Union Cement Company

As reported last year, Company has completed acquisition of Union Cement Company (UCC), Ras-Al-Khaimah, United Arab Emirates on 11<sup>th</sup> July, 2018 for an Enterprise Value of USD 305.24 Million. Company now holds a majority stake of 97.61%. The acquisition was made through Wholly Owned Step-down Subsidiary Company viz. Shree International Holding Ltd., incorporated in U.A.E. Salient features of UCC's consolidated financial performance since the date of acquisition by the Company till 31<sup>st</sup> March 2019 is as under: -

Particulars	Amount in AED Million	Amount in ₹ Crore	
Net Turnover	420.93	813.80	
EBIDTA	72.76	140.56	
Net Profit*	35.95	69.50	
Net Worth (As at 31.3.2019)*	980.86	1,847.46	

<sup>\*</sup> Excluding non-controlling interest

UCC has undertaken several process improvement measures to increase the productivity of its Kiln, Cement Mills, Waste Heat Recovery Power Plant and other equipment as well as improve its power and fuel consumption levels. UCC has also undertaken steps to enhance the capacity of existing Waste Heat Recovery Plant. All these measures will help in enhancing revenues and rationalizing costs thereby contributing to increased profitability.

### (ii) Raipur Handling and Infrastructure Private Limited

Company also acquired Raipur Handling and Infrastructure Private Limited (RHIPL) for an aggregate consideration of ₹ 59 crore. RHIPL is engaged in operating a Railway Siding as a Private Freight Terminal near Company's cement plant at Baloda Bazar in Chhattisgarh. This terminal will provide dedicated railway connectivity to the Company for transporting its cement, clinker and input materials through railways. RHIPL operates the terminal for other customers also.

### 5. RISK MANAGEMENT

At SCL, risk management is considered as a strategic activity as our plans and measures to manage risks generates opportunities as well. Identification and management of risk is systematically achieved using an Enterprise Risk Management (ERM) system under which the Board is responsible for overseeing the overall risk management framework of the Company. The Audit and Risk Management Committee of Board, keeps an eye on execution of the risk management plan of the Company and advises the management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks are however done by key executives of the Company in a systematic manner through regular meetings and dialogue and engagement / consultation with relevant stakeholders. The key risks identified by the Company and their mitigation measures are as under:

a) Over-Capacity in the Industry - Continued over capacity in the industry pose risk of underutilization of production capacities and prices falling to levels which are non-remunerative levels causing losses. For this purpose, Company has invested in building customer loyalty through consistent high quality of its products, faster delivery to consumers and continued customer engagement through its dedicated marketing teams. It also keeps adding capacity in markets where demand-supply conditions are considered to be relatively favourable.

b) Availability of Limestone and other **resources-** Limestone is the key raw material for cement production and its availability for existing and future plant requirements is essential. With limited reserves at existing mines and acquisition of new limestone mines being uncertain due to regulatory and competition issues, conservation of limestone is quite important. Company has been making all efforts to optimize its usage, thereby, conserving the deposits and enhancing their life. To conserve the high grade limestone, Company is mixing the same with marginal grade limestone and using it for clinker production. Company's emphasis on enhanced production of blended cement has also helped conserve limestone significantly. Additionally, Company continuously undertakes exploratory activities at its existing deposits areas to find more reserves.

Company's plants in Rajasthan are located in water deficient areas and as such conserving water becomes very important. Realizing this, Company installed Air Cooled Condensers (ACC) in all its power plants which though involve additional capital expenditure, have helped Company reduce water consumption significantly. Company has installed Waste Heat Recovery Systems in its cement plants thereby, eliminating the need for cooling of waste hot gases and thus, saving water. Water harvesting reservoirs have also been constructed within plant and mines area.

c) Fuel Cost - Company sources fuel from open market and hence, is exposed to volatility of market prices of the fuel. Company has deployed multi-fuel usage strategy as well as state of the art technology, which allows it to use different fuels and use the most economical fuel among a basket of different fuels as per prevailing trends in the market. Company participated in e-auction and secured coal linkage for partly meeting the fuel requirements of its Raipur, Chhattisgarh plant. Additionally, to reduce reliance on conventional fuel for its captive thermal power plant, Company has extensively invested in Waste Heat Recovery Power Plants thereby, cushioned itself from fuel price volatility to that extent. Additionally, to reduce reliability on conventional fuel, company has commissioned 21 MW Captive Wind Power Plant in Karnataka.

- d) Power Prices Company sells its surplus power under short term contracts. This is because; it does not have any long term arrangement for coal. This exposes it to price volatility in this segment. The Company is managing this risk by ensuring advance sale contracts for part of the capacity and keeping the balance for running the same with market volatility.
- e) Cyber Security and Disaster Recovery -Considering the increasing importance of digitisation to business, majority of businesses activities of the Company have been seeing digital transformations, whether related to logistics, marketing or manufacturing. Significant advantages of digitisation reflect in faster customer servicing, enhanced process efficiency, better controls and speedy decision making. Digitisation is however fraught with risk of cyber security and disaster recovery. This could be misuse of hardware and software, interference, loss, unauthorised access, modification and disclosure. Company has taken necessary measures for better monitoring & control and more effective regulatory compliance to mitigate any risks arising due to digitisation.
- f) Climate Change Global warming and consequent impact in the form of erratic and frequent climate changes has emerged as a major risk across globe. This impacts our operations also as cement manufacturing releases CO<sub>2</sub> due to calcination process and combustion of fuels. Efforts to address climate change by reducing emissions of greenhouse gases (GHG) through national, state and regional laws and regulations as well as international agreements will bring about various regulatory requirements affecting our operations and creates uncertainties for our business. New legislative or regulatory controls may pose risks which could include costs to purchase allowances or credits to meet GHG emission caps, costs required to procure advanced equipment to reduce emissions to comply with GHG limits or required technological standards or higher production costs. In addition, physical risks arising from extreme weather or high temperatures may impact any manufacturing sector in terms of property damage and disruption to operations. We have integrated sustainability as core to our operations and are thus prepared to meet new regulatory and legislative requirements resulting from climate change risks.

# 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

In order to ensure orderly and efficient conduct of business, Company's management has put in place necessary internal control systems commensurate with its business requirements, scale of operations, geographical spread and applicable statutes. The Company has an in-house Internal Audit department manned by qualified professionals and an external firm acting as independent internal auditors that reviews internal controls and operating systems and procedures on a regular basis. Company's internal control systems include policies and procedures, IT systems, delegation of authority, segregation of duties, internal audit and review framework etc. Company has designed the necessary internal financial controls and systems with regard to adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Company keeps documented Standard Operating Procedures (SOPs) for all its major operations. Company has been expanding into different geographies which needed to be appropriately covered in the SOPs to capture their specific features and, therefore, a complete overhaul of the SOP's was carried out during FY 2018-19. The compliance to these controls and systems including SOPs are periodically reviewed by the Internal Audit function and exceptions are reported. All material audit observations and follow up actions thereon are reported to the Audit and Risk Management Committee. The Committee holds regular discussions with the auditors to ensure adequacy and effectiveness of the internal control systems and monitors implementation of audit recommendations.

# 7. HUMAN RESOURCES/INDUSTRIAL RELATIONS

a) Employee Engagement and Talent Management - Building a motivated and performance oriented team or institution starts with a founder. A founder also acts as a culturecreator of his team. But being a founder doesn't mean starting a new company or enterprise. He could be one who is joining a company that has existed for decades. At Shree, we nurture young talent through empowerment and trust in their capabilities to undertake challenging roles and tasks. This in turn builds a team of young entrepreneurs or founders who can take leadership position within the Company. As Company has been expanding fast, they take the position of being a founder for the new unit or new plant or new geography to undertake the task of building a committed and motivated team. The unique Shree culture and style of working is put on ground from day one. It is no surprise that because of this unique measure, Company has been able to deliver almost all its project before their targeted timelines.

Building on the practices of all these years, this year was focused on Communication, Inclusion and

Leadership development. Research says that true assimilation of an employee happens within the first 90 days of joining and, therefore, focus of HR team is to create a delightful joining and onboarding experience. For this purpose, Company initiated a feedback for New Joiners which is done within their first 90 days. In this, new joiners get an opportunity to interact with the senior leadership team and share their experiences and areas which they find the Company needs to work on. This has also led to building a communication channel that reinforces our culture of transparency and approachable management.

Company's focus is to make sure that every employee has access to great opportunities, and that they feel that they are making a meaningful impact and are contributing to the good of all stakeholders. This requires regular training and development opportunities for all the employees to upgrade their skills and capabilities. Skill Development is therefore, a constant endeavour across the Company and has been a focus area for the Human Resource team too. Through the years we have also realised that home grown leaders have been more successful, therefore we have been working internally and with external partners to develop a leadership pipeline for the Company.

Unique Shree family culture acts as a bond amongst employees where they feel homely while working within the organization. Provision of required recreation and other facilities at all our sites and regular get-togethers with family members together with sports and cultural events ensures work life balance for the employees. Shree also believes in giving equal opportunities to all. As part of this ethos, Women's Day celebration that was initiated last year on March 8<sup>th</sup> was institutionalised this year as a practice. The highlight of Women's Day celebration is the opportunity to interact with the company's leadership team.

b) Occupational Health and Safety - Health and safety is at the top of Company's priority areas. Company has built a robust safety management system based on the globally recognised and practiced OHSAS 18001 standard. We have established a structured hazard identification and risk assessment process based on the globally practiced 'Plan, Do, Check and Act' cycle. The process helps us identify potential risks which could have resulted in production disruptions, litigation and liabilities.

In order to provide our employees with access to quality and essential healthcare services, we have established 'Wellness Management Centers (WMC)' at all the locations. WMCs are equipped with qualified doctors and modern facilities.

Employee health check-ups are conducted annually with various health care services provided to the employees and their families. All contract workmen are also covered under WMC services where they are provided health care services customized to their nature of work.

We also organized blood donation camps across our locations. Health talks and lectures by experts and specialists were also organized to propagate awareness on chronic and lifestyle diseases for the benefit of employees and their families.

Safety committees have been formed at all manufacturing units with equal representation from both management and non-management categories. These committees play a pivotal role in achieving the objective of "safety first" by undertaking assessment of safety issues on an ongoing basis and implementing suitable initiatives and programs for the same. Since most of the workers deployed are from the communities around the factory, it was quintessential for the committee to devise an approach which could transform the way workers looked at safety. The committee periodically organized trainings, mentoring and coaching with the help of local supervisors who brought about a positive change to the workers' safety performance. Through such interactions, it became easier for the committees to identify hazards and minimize the recurrence of the same.

All our safety initiatives and employee engagement programs have been designed to reach this goal no fatalities. Through a regular internal audit protocol, we assess the overall safety performance and examine the existing procedures, systems and control measures for fire & safety hazards. Observations and recommendations were implemented by concerned departments within set timelines. As part of the process, monthly safety performance of all grinding units were reviewed and discussed with all safety professionals for implementation of common safety system and practices.

During the year Auditors from National Safety Council, Mumbai conducted detailed audit of the Safety Management System at Company's Thermal Power Plants at Beawar and Ras and expressed its satisfaction on the same. Additionally, Surveillance Audit of Social Accountability Management System (SA 8000: 2014) of certified units was conducted by a team of auditors from M/s. BSI, New Delhi.

c) Industrial Relations - Employee Relations remained cordial during the year. This has enabled Company to build healthy relationship and resolve issues through dialogue and discussions.

Total number of employees as on 31<sup>st</sup> March, 2019 were 6,299.

### 8. SUSTAINABILITY

Company perceives sustainability and growth as symphonic musical sounds which should always be in harmony with each other for the benefit of present as well as future generations. Thus, all our operations and project activities are carried out keeping a balance between unbounded economic growth and sustainability. Our operational strategy is built on a long term commitment to experiment and implement new ideas for improving efficiencies and minimizing the use of input resources. Our continued endeavours towards improving productivity and efficiency of all processes, equipment and systems as well optimization measures have made the Company as one of the most efficient player in terms of energy consumption and resource utilization. As a result of sustained efforts towards greening our operations, our direct CO<sub>2</sub> emission intensity is one of the lowest in the cement industry. During the year, the initiatives on sustainability continued with improved performance on several parameters of operations. Some of the initiatives taken on the environment front during the year were as under:-

- a) Power Generation from Renewable Resources -Company continues to be the leading cement Company in India in terms of capacity of Waste Heat Recovery Power Plants (WHRPP) in the country. Its WHRPP capacity is the largest in World Cement Industry excluding China. In the month of April 2019, Company has further installed WHRPP at its Karnataka plant. Also, in terms of operational efficiency of WHRPP, Company is regarded as one of the best in the industry. This has helped Company in conserving fossil fuels and water, mitigating GHG emissions and controlling fugitive emission. With a view to further curtail its carbon footprint, Company has commissioned 21 MW Wind Power Plant in Karnataka. The power generated from the said plant is utilized for meeting power requirement of Company's Cement plant in Karnataka.
- b) Alternative Fuels and Raw Materials In line with our goal to increase usage of alternative raw materials and fuels, we have stepped-up reuse of low grade limestone and quarry rejects in a cost effective manner. We have also been consciously undertaking 'co-processing' activities so as to 'close the loop' by reusing waste of other industries as raw materials for our cement production. This has helped us significantly reduce our environmental impacts and economic costs without compromising on our product's quality and output.

- c) Energy Conservation Energy conservation and environment management is a focus area for the Company and is driven at every level of operations. As part of Perform, Achieve & Trade (PAT) Scheme of the Govt. of India, Company has overachieved its target (set under PAT Cycle I, 2012-15) of reducing its energy consumption and as a result Ministry has issued 86,117 (Nos) Energy saving certificates for Beawar and 72,140 (Nos) of Energy saving certificates (ESCerts) for Ras site. Company was also awarded the 'Best Performer' award for energy saving under PAT Cycle I by Bureau of Energy Efficiency (BEE) for the Beawar and Ras units. Currently assessment of our performance under PAT Cycle II (2016-19) that covers our Beawar plant, Ras plant and 300 MW Shree Mega Power is going on and results are yet to be finalised. Shree Raipur Plant also covered under PAT Cycle III (2017-2020) for which assessment will be done in next year.
- d) Conservation of Water Water being a scarce and precious resource, finds utmost priority in the Company's sustainability initiatives. Company's investment in Air Cooled Condensers in all its Power Plants, though relatively most expensive, has been a major contributor towards conserving water. Its large capacity of Waste Heat Recovery power plants also helps it save water required in cooling hot gases in gas conditioning towers. It has been constructing rain water harvesting structures to reduce its water dependence. Adding to its continuous drive towards water conservation, during the year, it created rain water harvesting system at Karnataka plant with few more under development. This apart, Sewage Treatment Plants (STP) were installed for treatment of domestic waste water at different plant sites of the Company.
- e) CDP disclosure Shree Cement has been participating consistently in the Carbon Disclosure Project. It has been ranked 'B' in CDP Climate Change Disclosure 2018. This is higher than Global Cement average of Ranks B(-), and higher than the Asia regional average Rank C.
- f) Sustainability Reporting During the year, Company released its 14<sup>th</sup> annual corporate sustainability report titled "Embedding Harmonious Growth" focusing on balancing economic development with sustainability and exhibiting organizational performance on economic, environmental and social parameters for the reporting period 2017-18. Report was

prepared in accordance with the GRI Standards – Comprehensive Option.

During the year Company was awarded and recognised for its various initiatives towards sustainable development, a few which are as under:-

- Golden Peacock Award for Sustainability 2018:- The Award instituted by the Institute of
  Directors, New Delhi was delivered in
  recognition of Company's efforts towards
  Environment Management, Natural Resource
  conservation, emission control, energy
  conservation etc.
- Corporate Governance & Sustainability
  Vision Award, 2019:- The Award was
  instituted by the Indian Chamber of Commerce
  and given in recognition of its overall
  governance, environmental, economic & social
  performance.
- 5 Star rating for Limestone Mines of the Company:- Limestone Mines of the Company at Ras (Nimbeti Limestone Mines) and Beawar (Sheopura-Kesarpura Limestone Mines) awarded with 5 Star Rating under Star Rating System for Sustainable Development formulated by Indian Bureau of Mines, Ministry of Mines, Govt. of India. These ratings were started three years back and Company has been awarded with Five Star Rating for both the mines consecutively for second year.
- Recognized as Second Fastest Growing Cement Company Large Category under 3<sup>rd</sup> Indian Cement Review Awards 2018: Company has been declared as the "Second Fastest Growing Cement Company Large Category" under 3<sup>rd</sup> Indian Cement Review Awards 2018 in recognition of its significant initiatives for enhancing its capacity, governance level, stakeholder engagement, environment improvement, alternative fuels & raw material utilization and sustainability practices.
- Supply Chain and Logistic Excellence (SCALE) Award 2018 by CII:- Company has been conferred on "Supply Chain & Logistics

Excellence Award-2018" for logistic excellence among all cement companies. The award was instituted by Confederation of Indian Industry (CII), Chennai.

### 9. CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, Company was in compliance with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report is provided in the Corporate Governance section of this Annual Report. The Auditor's Certificate on Corporate Governance is enclosed at **Annexure - 1.** 

### 10. BUSINESS RESPONSIBILITY REPORTING

Company is also releasing Business Responsibility Report (BRR) as part of this Annual Report covering its compliances towards the Business Responsibility Principles enunciated by the Securities and Exchange Board of India as required under Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 11. CORPORATE SOCIAL RESPONSIBILITY

As part of its triple bottom-line approach to its business, Company has always considered the community as its key stakeholder. It believes that the community around its operations should also grow and prosper in the same manner as does its own business. Accordingly, Corporate Social Responsibility is an integral part of the Company's business. In order to oversee all its CSR initiatives and activities, the Company has constituted a Board level Committee -"Corporate Social and Business Responsibility Committee" (CSBR Committee). The major thrust areas of the Company include healthcare, education, women empowerment, infrastructure support, integrated rural development and conservation of natural resources. The Annual Report on CSR activities of FY 2018-19 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed at **Annexure - 2** and forms part of this report. The CSR Policy of the Company may be accessed on website of the Company at link https://www.shreecement.com/pdf/shree\_csr\_policy final.pdf.

### 12. SUBSIDIARY COMPANIES

Company has following direct subsidiaries: -

Sl. No.	Direct Subsidiaries	Equity Stake
1.	Shree Global FZE, Jebel Ali Free Zone, Emirate of Dubai, United Arab Emirates	100% Wholly Owned Subsidiary (w.e.f. 7 <sup>th</sup> May, 2018)
2.	Raipur Handling and Infrastructure Private Limited, Baloda Bazar, Chhattisgarh	100% Wholly Owned Subsidiary (w.e.f. 14 <sup>th</sup> May, 2018)
3.	Shree Global Pte. Ltd., Singapore	100% Wholly Owned Subsidiary (Liquidated w.e.f. 11 <sup>th</sup> March, 2019)

Apart from above, during the year, following companies have become step-down subsidiaries of your company:-

- Shree Enterprises Management Ltd, Dubai International Financial Centre, Emirate of Dubai, United Arab Emirates
- Shree International Holding Ltd, Dubai International Financial Centre, Emirate of Dubai, United Arab Emirates
- Union Cement Company, PrJSC, Emirates of Ras-Al-Khaimah, United Arab Emirates
- Union Cement Norcem Co. Ltd. LLC, Emirates of Ras-Al-Khaimah, United Arab Emirates

The shareholders, who wish to receive a copy of Annual Accounts of the Subsidiary Companies, may request the Company Secretary for the same. As required under Section 129(3) of the Companies Act, 2013, Statement showing the salient features of the financial statements of the Subsidiary Companies in Form AOC-1, forms part of the Consolidated Financial Statements of Company. The policy for determining material subsidiaries as approved by the Board can be accessed on the website of the Company at link https://www.shreecement.com/pdf/Shree-material-subsidiary-policy.pdf.

### 13. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared as required in terms of provisions of Companies Act, 2013 and Listing Regulations by following the applicable Accounting Standards notified by the Ministry of Corporate Affairs and forms part of the Annual Report.

### 14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that:

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019 the applicable accounting standards have been followed and there are no material departures from the same;
- b) Such accounting policies as are mentioned in the

Notes to the Accounts have been selected applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2019 and of the profit of the company for the year ended on that date;

- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Necessary internal financial controls have been laid down by the Company and the same are commensurate with its size of operations and that they are adequate and were operating effectively; and
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

# 15. PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES & INDIVIDUAL DIRECTORS

In terms of requirements of Listing Regulations and provisions of Companies Act, 2013, Nomination cum Remuneration Committee of the Board of Directors of the Company specified the manner for effective evaluation of performance of Board, its Committees and Individual Directors. Based on the same, the Board carried out annual evaluation of its own performance, performance of its Committees, Individual Directors including Independent Directors during the year. Company had adopted the evaluation parameters as suggested by ICSI and SEBI with suitable changes from Company's perspective. The performance of the Board was evaluated by the Board on the basis of criteria such as Board composition and structure, effectiveness of Board processes, information flow to Board, functioning of the Board etc. The performance of Committees was evaluated by the Board on the basis of criteria such as composition of Committees,

effectiveness of Committee working, independence etc. The Board evaluated the performance of individual Director on the basis of criteria such as attendance and contribution of Director at Board/Committee Meetings, adherence to ethical standards and code of conduct of the Company, interpersonal relations with other Directors, meaningful and constructive contribution and inputs in the Board/Committee meetings etc.

For the above evaluation, the Board members completed questionnaires providing feedback on different parameters as already stated above including on performance of Board / Committees / Directors, engagement levels, independence of judgment and other criteria. This is followed with review and discussions at the level of Board.

In a Separate meeting of the Independent Directors, performance evaluation of Non-Independent Directors, the Board as a whole and performance evaluation of Chairman was carried out, taking into account the views of Executive and Non-Executive Directors. The quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties was also evaluated in the said meeting.

Company appointed an External Facilitator for the purpose of carrying out the performance evaluation in a fair and transparent manner.

# 16.DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, the Board of Directors of the Company at their meeting held on 30<sup>th</sup> July, 2018 appointed Shri Prakash Narayan Chhangani (DIN: 08189579) as Whole Time Director of the Company w.e.f. 30<sup>th</sup> July, 2018 for a period of 5 (Five) years. Approval of Members was obtained by passing of Special Resolution through postal ballot on 8<sup>th</sup> March, 2019. Shri Prakash Narayan Chhangani is a Chemical Graduate having over 34 years of rich experience in cement and related industries.

Shri Ramakant Sharma (DIN: 01556371), Non-Executive Non-Independent Director ceased to be Director of the Company w.e.f. 4<sup>th</sup> August, 2018.

In accordance with the provisions of the Companies Act, 2013 and Article 112 of the Articles of Association of the Company, Shri Hari Mohan Bangur (DIN: 00244329), Director of the Company will retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends the re-appointment of Shri Hari Mohan Bangur. Item seeking approval of members is included in the Notice convening the 40<sup>th</sup> Annual General Meeting (AGM).

In terms of the Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect. As per Company's records, Shri Benu Gopal Bangur (DIN: 00244196), Non-Executive - Non-Independent Director (Designated as Chairman), Shri Ratanlal Gaggar (DIN: 00066068), Shri Om Prakash Setia (DIN: 00244443), Dr. Yoginder Kumar Alagh (DIN: 00244686) and Shri Nitin Dayalji Desai (DIN: 02895410) all Independent Directors were the ones who had attained the age of 75 years before 1st April 2019. In view of the above, approval of members by way of special resolutions was obtained through postal ballot on 8<sup>th</sup> March, 2019 for the continuation of their directorship beyond 1<sup>st</sup> April, 2019.

Further, your Board of Directors recommends that pursuant to the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with applicable Rules made thereunder, Regulations 17 & 17(1A) of the Listing Regulations, Independent Directors Shri Ratanlal Gaggar (DIN: 00066068), Shri Om Prakash Setia (DIN: 00244443), Dr. Yoginder Kumar Alagh (DIN: 00244686), Shri Nitin Dayalji Desai (DIN: 02895410), Shri Shreekant Somany (DIN: 00021423) be re-appointed as an Independent Director of the Company, not liable to retire by rotation, for second term of five consecutive years commencing from 1<sup>st</sup> September, 2019, as well as to continue to hold the position of Non-Executive Independent Director beyond 75 years of age. Items seeking approval of members are included in the Notice convening the 40<sup>th</sup> Annual General Meeting.

In accordance with Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each Independent Director has given a declaration to the Company confirming that he meets the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Profile and other information of the aforesaid Directors, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 forms part of the Notice convening the 40<sup>th</sup> Annual General Meeting.

## 17. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In order to acquaint the new directors with the Company, a detailed presentation is given to them at the time of their appointment which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organisation structure, products, etc. A detailed presentation along similar lines is sent to existing Independent Directors also every year to keep them apprised of the above details.

As part of Board discussions, presentation on performance of the Company is made to the Board during its meeting(s). Plant visits are also arranged for Independent Directors from time-to-time for better understanding of the Company's operations. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at link https://www.shreecement.com/pdf/familiarization-programme-for-independent-directors.pdf.

# 18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings / outgo, as required to be disclosed under the Companies Act, 2013 is set out at **Annexure - 3** which forms part of this report.

## 19. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided at **Annexure - 4.** 

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of employees and other particulars of the top ten employees and employees drawing remuneration in excess of the limits as provided in the said rules are set out in the Board's Report as an addendum thereto. However, in terms of provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

### **20. AUDITORS**

### I. Statutory Auditors

M/s. Gupta & Dua, Chartered Accountants (Firm

Registration No. 003849N) were appointed as Statutory Auditor of the Company, in the Annual General Meeting held on 31st July, 2017, for a consecutive term of five years from the conclusion of 38th Annual General Meeting till the Conclusion of 43th Annual General Meeting. They have given their report on the Annual Financial Statements for Financial Year 2018-19. The Audit Report does not contain any qualification, reservation or adverse remark.

### II. Secretarial Auditors

The Board had appointed M/s. P. Pincha & Associates, Company Secretaries, Jaipur as Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2018-19. They have submitted their report in prescribed format and the same is enclosed at **Annexure - 5**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### III. Cost Auditors

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of the Company appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jaipur (Firm Registration No. 00024) to conduct the cost audit for the financial year ending 31st March, 2020, at a remuneration as mentioned in the Notice convening the 40th Annual General Meeting.

As required under the Act, the remuneration payable to cost auditors has to be placed before the Members at a general meeting for ratification. Hence, a resolution seeking ratification of remuneration by the Members, payable to the Cost Auditors forms part of the Notice of the 40<sup>th</sup> Annual General Meeting.

### 21. OTHER DISCLOSURES

- a) Composition of Audit and Risk Management Committee: The Committee comprises of Shri O. P. Setia as Chairman, Shri Prashant Bangur, Shri R. L. Gaggar, Dr. Y. K. Alagh, Shri Nitin Desai, Shri Shreekant Somany and Shri Sanjiv Krishnaji Shelgikar as other Members. All the recommendations made by the Audit and Risk Management Committee were accepted by the Board.
- b) Details of Meetings of Board and its Committees: The Board of Directors of your Company met 4 times during the year to deliberate on various matters. The meetings were held on 28<sup>th</sup> April, 2018, 30<sup>th</sup> July, 2018, 12<sup>th</sup> November, 2018 and 22<sup>nd</sup> January, 2019. Further, details are provided in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

- c) Extract of the Annual Return: Extract of Annual Return of the Company is enclosed at Annexure - 6 which forms part of this report.
- d) Particulars of Loan, Guarantees or Investments: During the year 2018-19, there were no loans or guarantees given by the Company which attract the provisions of Section 186 of the Companies Act, 2013. The details of investments made by the Company in terms of Section 186 of the Companies Act, 2013 are given in the Notes forming part of Standalone Financial Statements.
- e) Particulars of Contracts or Arrangements with Related Parties: All Related Party Transactions during the financial year 2018-19 were on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. All such transactions are placed before the Audit and Risk Management Committee for review/approval. The necessary omnibus approval has been obtained from Audit and Risk Management Committee wherever required. There were no material Related Party Contract/Arrangement/ Transactions made by the Company during the year that would have required Shareholders' approval under provisions of Section 188 of the Companies Act, 2013 or of the Listing Regulations. The Company has adopted a Related Party Transactions Policy duly approved by the Board, which is uploaded on the Company's website & may be accessed at link https://www.shreecement.com/pdf/rpt\_policy\_as \_amended.pdf.

Further, in terms of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9<sup>th</sup> May, 2018, the transaction with person / entity belonging to the promoter/promoter group holding 10% or more shareholding in the Company are as under:

Name of the Entity	% Holding in the Company	Amount (₹ Cr.)	Nature of Transaction
Shree Capital Services Ltd.	25.79%	0.24	Payment of Office Rent
		8.03	Reimbursement towards purchase of equity shares of Subsidiary
		0.02	Reimbursement of Expenses
Digvijay Finlease Ltd	12.16%	14.43	Reimbursement towards purchase of equity shares of Subsidiary
		0.04	Reimbursement of Expenses

- f) Deposits from Public: The Company has not accepted any deposits from public covered under Chapter V of the Companies Act, 2013 during the year and as such, no amount on account of principal or interest on deposits from public was outstanding.
- Q) Vigil Mechanism/ Whistle Blower Policy: The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee. The whistle blower policy may be accessed on the website of the Company at link https://www.shreecement.com/pdf/whistleblower\_policy.pdf.
- h) Remuneration Policy: Company firmly believes that it needs to structure remuneration of its people in a manner that is both competitive and satisfies the needs of its people who are its real assets. Its remuneration policy is, therefore, designed to achieve this vision. The policy has been approved by the Board on the recommendation of Nomination cum Remuneration Committee. The policy is applicable to Directors, Key Managerial Personnel and other employees. The policy provides that while nominating appointment of a Director, the Nomination cum Remuneration Committee shall consider the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate the Directors for delivering high performance. The Remuneration Policy is enclosed at **Annexure-7** and can be accessed on the website of the Company at link https://www.shreecement.com/pdf/remuneratio n\_policy\_new.pdf.
- i) Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace: The Company has complied with the provisions of the constitution of the Internal Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Company has formed an 'Internal Complaints Committee' for prevention and

redressal of sexual harassment at workplace. The Committee has four members and is chaired by a senior woman member of the organization. The Company has not received any complaint of sexual harassment during the financial year 2018-19.

- j) Material Changes after the Close of Financial Year: There have been no material changes and commitments which have occurred after the close of the year till the date of this Report, affecting the financial position of the Company.
- k) Significant and Material Orders passed by the Regulators or Courts: No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.
- I) Maintenance of Cost Records: Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, accordingly such accounts and records are made and maintained by the Company.
- m) Compliance with Secretarial Standards: Company has complied with the Secretarial

Standards issued by Institute of Companies Secretaries of India (ICSI) on Board Meetings (SS-1) and General Meetings (SS-2).

### Acknowledgement

The Directors take this opportunity to express their deep sense of gratitude to its lenders, Central and State Governments and the local authorities for their continued co-operation and support. They also would like to place on record their sincere appreciation for the commitment, hard work and high engagement level of every member of the Shree family without which the exemplary performance of the Company year after year, would not have been possible. The Directors would also like to thank its various stakeholders of the Company customers, dealers, supplies, transporters, advisors, local community, etc. for their continued committed engagement with the Company. Lastly, the Directors would also like to thank you, the Members of the Company for the confidence and trust reposed in them.

For and on behalf of the Board

B. G. Bangur Chairman DIN: 00244196

Place: Kolkata
Date: 18<sup>th</sup> May, 2019

## **ANNEX-1 TO THE BOARD'S REPORT**

### INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To, The Members of

### **Shree Cement Limited**

 We, Gupta & Dua, Chartered Accountants, the Statutory Auditors of Shree Cement Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing (Obligation and Disclosure requirements) Regulations, 2015 (the Listing Regulations).

### Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This Responsibility includes the Design, implementation and maintenance of internal controls and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Auditors' Responsibility**

- 3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial Statements of the Company.
- 4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

- 5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

### Opinion

- 7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2019.
- 8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Gupta & Dua** Chartered Accountants Firm's Registration No.: 003849N

Place: Kolkata

Date: 18th May, 2019

**Mukesh Dua** Partner Membership No.: 085323

## **ANNEX-2 TO THE BOARD'S REPORT**

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Company believes that for its operations and growth to be sustainable, it has to be responsible. Its long term sustainability is thus underlined by strict adherence to environment preservation, social upliftment and financial prudence. In this line, it has made social development an integral part of its business activities and considers it as a voluntary act rather than an additional activity mandated by statute.
		Company's CSR initiatives focus on education, healthcare, sustainable livelihood, women empowerment, infrastructure development, environment protection and promotion of art & culture, epitomising a holistic approach to inclusive growth.
		Company's CSR Policy was approved by the Corporate Social and Business Responsibility Committee (CSBR Committee) of the Board in its meeting held on 28 <sup>th</sup> April, 2014. The web link to the CSR Policy of the Company is https://www.shreecement.com/pdf/shree_csr_policy_final.pdf.
2	The composition of the CSR Committee	Company's CSBR Committee comprises four Independent Directors and one Working Director and is Chaired by an Independent Director. The composition of the Committee as on 31st March, 2019 is set out below:
		1. Shri O.P. Setia (Chairman) - Independent & Non-Executive Director
		2. Shri Prashant Bangur – Joint Managing Director
		3. Shri Nitin Desai - Independent & Non-Executive Director
		4. Dr. Leena Srivastava - Independent & Non-Executive Director
		5. Shri Sanjiv Krishnaji Shelgikar-Independent & Non-Executive Director
3	Average net profit of the company for last three financial years	The average net profit of the Company for the last three financial years calculated in terms of Section 198 of the Companies Act, 2013 is ₹ 1,808.53 crore.
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	The prescribed CSR expenditure requirement for year 2018- 19 was ₹ 36.17 crore.
5	Details of CSR spent during the financial year	
	a) Total amount to be spent for the financial year;	Total amount spent towards CSR during year 2018-19 was ₹31.32 crore.
	b) Amount unspent, if any;	₹ 4.85 crore
	c) Manner in which the amount spent during the financial year is detailed below	The manner in which the amount was spent is annexed.
6	In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report	During the year, some projects related to infrastructure development & community assets identified by the Company could not materialize due to implementation bottlenecks. Similarly one education project to which Company had committed financial support did not require assistance from Company because of change in fund requirements. All these together resulted in shortfall in CSR expenditure of the Company for the year.
7	A responsibility statement of the CSBR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company	The CSBR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Place: Kolkata Date: 18<sup>th</sup> May, 2019 **H. M. Bangur**Managing Director
DIN: 00244329

O. P. Setia

Chairman – Corporate Social and Business

Responsibility Committee

DIN: 00244443

			Annexure to CSR Report (Poi	nt 5 (c) of t	he CSR Report)		
						Amo	unt in ₹ Crore
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads:  1. Direct expenditure on projects or programs  2. Overheads	Cumulative Expenditure up-to the reporting period	Amount spent: Direct or through Implement- ing agency
1.	Health camps, running health management centres, mother and child health care, sanitation facilities and raising awareness, support to victims of natural disaster and accidents, support to Autistic children		Villages/Towns adjoining plants at Beawar, Ras, Khushkhera, Jobner, Suratgarh (Rajasthan), Roorkee (Uttarakhand), Baloda Bazar (Chhattisgarh), Panipat (Haryana), Aurangabad (Bihar), Bulandshahr (Uttar Pradesh), Kodla (Karnatka), project site at Seraikela-Kharsawan (Jharkhand) and Kolkata (West Bengal)	3.15	3.02	3.02	Direct     Through     Shree     Foundation     Trust and     Amrit     Somani     Memorial     Trust
2.	Water supply through tankers, construction/ repair/ renovation of water tanks, hand-pumps, preservation and upgradation of water sources, water harvesting and conservation activities	Schedule VII, Item No. (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by	Villages adjoining plants at Beawar, Ras, Khushkhera, Suratgarh, Jobner (Rajasthan), Roorkee (Uttarakhand), Aurangabad (Bihar), Baloda Bazar (Chhattisgarh) and project site at Cuttack (Odisha) and Seraikela- Kharsawan (Jharkhand)	0.65	0.69	0.69	Direct     Through     Shree     Foundation     Trust
3.	Support for improved agriculture yield, distribution of high quality seeds and agriculture equipment, training and exposure visits of farmers	Schedule VII, Item No. (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and		0.30	0.27	0.27	Direct     Through     Shree     Foundation     Trust

			Annexure to CSR Report (Poi	nt 5 (c) of tl	ne CSR Report)		
						_	unt in ₹ Crore
Sl. No.	CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or program wise	(6)  Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	(7) Cumulative Expenditure up-to the reporting period	(8)  Amount spent: Direct or through Implement- ing agency
		livelihood enhancement projects					
4.	Financial assistance, civil works, furniture & fixtures, education material, sanitation facilities, uniforms, etc. to govt. schools, celebration of national days, computer education and training, adoption of Anganwadi centres, scholarship & financial assistance to needy students, company run schools, Shree Ki Pathshala project, awareness for exercising voting right, financial contribution for construction of girl's hostel	and livelihood enhancement projects	Villages adjoining plants at Beawar, Ras, Khushkhera, Jobner, Suratgarh, City of Jodhpur (Rajasthan), Roorkee (Uttarakhand), Aurangabad (Bihar), Baloda Bazar (Chhattisgarh), Panipat (Haryana), Bulandshahr (Uttar Pradesh), Kodla (Karnataka) and project site at Seraikela-Kharsawan (Jharkhand)	4.80	2.71	2.71	• Direct • Through Shree Foundation Trust
5.	Skill enhancement trainings for masons, programs on increasing consumer education & awareness	Schedule VII, Item No. (ii) Promoting education, including special education and employment enhancing vocation skills	Various cities and rural areas in the states of Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jammu, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha Punjab, Rajasthan, Telangana, Uttar Pradesh, Uttarakhand,	4.75	4.65	4.65	Direct

			Annexure to CSR Report (Poi	nt 5 (c) of t	he CSR Report)		
			-		-	Amo	unt in ₹ Crore
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads:  1. Direct expenditure on projects or programs  2. Overheads	Cumulative Expenditure up-to the reporting period	Amount spent: Direct or through Implement- ing agency
		especially among children, women, elderly and the differently abled and livelihood enhancement projects	West Bengal and Union Territory of Delhi				
6.	Support for marriage of girls of marginalized communities, financial assistance on birth of girl child, training and skill development of rural women, formation of SHG for undertaking entrepreneurial activities, self-defense training to girls	Schedule VII, Item No. (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	(Uttarakhand), Baloda Bazar (Chhattisgarh), Panipat (Haryana) and project site at Seraikela-Kharsawan (Jharkhand)	0.35	0.31	0.31	Direct     Through     Shree     Foundation     Trust
7.	Basic amenities, security and medical services to old-aged people, distribution of	Schedule VII, Item No. (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	(Rajasthan), Roorkee (Uttarakhand), Baloda Bazar (Chhattisgarh), Panipat (Haryana), Aurangabad (Bihar), Bulandshahr (Uttar Pradesh), Kodla (Karnataka), project	5.20	5.24	5.24	Direct     Through     Shree     Foundation     Trust     Project     Pronam     through     'The     Bengal'     trust

			Annexure to CSR Report (Poi	nt 5 (c) of tl	he CSR Report)		
						-	unt in ₹ Crore
Sl. No.	CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) Project or program wise	(6)  Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	(7) Cumulative Expenditure up-to the reporting period	(8) Amount spent: Direct or through Implement- ing agency
8.	Tree plantation in schools and nearby areas, green belt development, nurturing and maintenance of plants and saplings, water conservation initiatives, livestock management program, vaccination and medicines for livestock, construction of feed managers for farming cattle	Item No. (iv) Ensuring environmental sustainability, ecological balance,	Villages adjoining plants at Beawar, Ras, Khushkhera, Suratgarh, Jobner (Rajasthan), Roorkee (Uttarakhand), Baloda Bazar (Chhattisgarh), Panipat (Haryana), Bulandshahr (Uttar Pradesh) & Aurangabad (Bihar)	1.30	1.30	1.30	Direct     Through     Shree     Foundation     Trust
9.	Support to rural cultural programs, festivals and melas, development works at various social and religious places/ institutions, sponsorship/ contribution to various events to promote art, music, literature, poetry, etc. and support to institutions of repute engaged in activities in line with the CSR policy	Schedule VII, Item No. (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	Villages adjoining plants at Beawar, Ras, Khushkhera, Suratgarh, Jobner (Rajasthan), Roorkee (Uttarakhand), Aurangabad (Bihar), Baloda Bazar (Chhasttisgarh), Kodla (Karnataka), Bulandshahr (Uttar Pradesh), Panipat (Haryana) and project site at Seraikela-Kharsawan (Jharkhand)	2.45	2.36	2.36	Direct     Through     Shree     Foundation     Trust

			Annexure to CSR Report (Poi	nt 5 (c) of t	he CSR Report)		
			Amexare to contricpore (For	110 5 (0) 51 0	ne con neport/	Amo	unt in ₹ Crore
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) Project or program wise	Amount spent on the projects or programs Sub-heads:  1. Direct expenditure on projects or programs	Cumulative Expenditure up-to the reporting period	Amount spent: Direct or through Implement- ing agency
1.0	- · · ·	6 1 1 1 2 11		0.05	2. Overheads	0.05	
	Financial assistance to dependents of soldiers from Rajasthan martyred in Pulwama terrorist attack in February- 2019	Schedule VII, Item No. (vi) Measures for the benefit of armed forces veterans, war widows and their dependents	Soldiers belonged to Jaipur, Kota, Dholpur, Bharatpur and Rajsamand districts of Rajasthan	0.25	0.25	0.25	Through Shree Foundation Trust
11.	Assistance and support in organizing local sports, conducting sporting tournaments in schools and nearby areas, distribution of sports equipment to needy		Villages adjourning plants at Beawar, Ras, Khushkhera, Suratgarh, Jobner (Rajasthan), Aurangabad (Bihar), Baloda Bazar (Chhattisgarh), Panipat (Haryana), Bulandshahr (Uttar Pradesh), Kodla (Karnataka) and project site at Cuttack (Odisha)	0.40	0.36	0.36	Direct     Through     Shree     Foundation     Trust
12.	Construction/ repair of roads in nearby villages, construction, repair and maintenance of various community assets in nearby areas for integrated rural infrastructure development	Schedule VII, Item No. (x) Rural development Projects	Villages/Towns adjoining plants at Beawar, Ras, Khushkhera, Jobner, Suratgarh (Rajasthan), Roorkee (Uttarakhand), Baloda Bazar (Chhattisgarh), Panipat (Haryana), Aurangabad (Bihar), Bulandshahr (Uttar Pradesh), Kodla (Karnataka) & project site at Cuttack (Odisha)	11.00	8.67	8.67	Direct     Through     Shree     Foundation     Trust
13.	CSR Overheads	Rule 4(6) of Companies (Corporate Social Responsibility Policy) Rules, 2014	-	1.57	1.49	1.49	-
			Grand Total	36.17	31.32	31.32	

## **ANNEX-3 TO THE BOARD'S REPORT**

[Pursuant to Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

### (A) Conservation of Energy

# (a) Steps taken or impact on conservation of Energy

- Installed VFD's in various applications.
- Implemented various logics in PLC to run various process parameters in PID for minimizing power consumption.
- Installation of solar and LED lights at various locations.
- Steam path audit of LP turbine for performance improvement.
- Replacement of old waste heat recovery boiler for performance improvement.
- Modifications in Raw Mill & Coal Mill sections to optimize grinding at lower power consumption.
- Replacement of lime blower impeller with high efficiency impeller.

- Installation of sonic soot blowers in Air preheater section for effectiveness improvement.
- Replacement of turbine with efficient turbine.
- Modification of preheater boiler inlet and outlet duct on the basis of CFD analysis to reduce pressure drop across duct.
- Addition of cells in air cooled condenser for efficiency improvement.

# (b) Steps taken by the company for utilizing alternate sources of energy

- Established waste heat recovery based power plants for generation of power through Waste heat recovery system.
- · Use of industrial waste.
- Solar panels installed at various locations.

# (c) Capital investment on energy conservation equipment: ₹545.14 Crore

### (B) Technology Absorption

### (i) Efforts made towards technology absorption

- Modifications in Raw Mills, Preheater and cooler section to improve production / energy efficiency by computational techniques and modelling.
- Installation of NOx mitigation system to reduce emissions at the main Baghouse stack and to comply with the emission norms.
- The Company has leading research & development centres at Beawar and Ras, both of which are recognized by Department of Science & Industrial Research (DSIR), Government of India. It makes continuous efforts towards adoption and implementation of new technologies, which assist in reducing the Company's carbon footprint.
- Company's officials participate in various national and international seminars on technology up-gradation, adaptions and innovation & share knowledge at various global forums at National & International platforms.
- $\bullet \quad \text{New turbine with low specific steam consumption installed to improve power generation}.$

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

- Energy conservation.
- Conservation of natural resources.
- · Improvement in equipment efficiency and productivity.
- · Cost reduction.

### (iii) Information regarding imported technology (imported during last three years)

Details of technology imported	Technology import from	Year of Import	Status implementation / absorption
-	-	-	-

### (iv) Expenditure incurred on Research and Development

₹ in Crore

Particulars	2018-19			Total
	Beawar	Ras	Other Units	
Capital	-	4.13	8.18	12.31
Revenue	4.00	10.13	5.63	19.76
Total	4.00	14.26	13.81	32.07
Total R&D Expenditure as a % of Turnover				

₹ in Crore

Particulars		2017-18		
	Beawar	Ras	Other Units	
Capital	0.01	25.88	1.22	27.11
Revenue	4.00	7.08	5.34	16.42
Total	4.01	32.96	6.56	43.53
Total R&D Expenditure as a % of Turnover (Net of GST/Excise Duty)				

### (C) Total Foreign Exchange Earnings and Outgo

₹ in Crore

Particulars	2018-19	2017-18
Earned	48.12	Nil
Outgo	1,564.21	1,876.16

For and on behalf of the Board

Place: Kolkata

Date: 18<sup>th</sup> May, 2019

B. G. Bangur Chairman DIN: 00244196

## **ANNEX-4 TO THE BOARD'S REPORT**

[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19, the percentage increase in remuneration of each Director, Chief Finance Officer and Company Secretary during the financial year 2018-19 are as under:

Sl. No.	Name of Director / KMP and Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in the remuneration for the Financial Year 2018-19
1	Shri B.G. Bangur - Chairman (Non-Executive)	6.0	0.0%
2	Shri H.M. Bangur - Managing Director / KMP	771.2	8.7%
3	Shri Prashant Bangur - Jt. Managing Director / KMP	383.7	18.0%
4	Shri P. N. Chhangani - Whole Time Director (WTD) / KMP (Appointed w.e.f. 30 <sup>th</sup> July, 2018)	43.5\$	N.A.
5	Shri R.L. Gaggar - Independent & Non-Executive	6.9	10.0%
6	Shri Shreekant Somany - Independent & Non-Executive	6.4	(1.9)%
7	Shri O. P. Setia - Independent & Non-Executive	6.9	3.8%
8	Dr. Y. K. Alagh - Independent & Non-Executive	6.9	0.0%
9	Shri Nitin Desai - Independent & Non-Executive	6.9	0.0%
10	Dr. Leena Srivastava - Independent & Non-Executive	6.3	0.0%
11	Shri Sanjiv Krishnaji Shelgikar - Independent & Non-Executive	6.8	0.0%
Key	Managerial Personnel (Other than Managing Director, Joint	t Managing Director and Whol	e Time Director)
1	Shri S. S. Khandelwal - Company Secretary	Not Applicable	14.4%
2	Shri Subhash Jajoo - Chief Finance Officer	Not Applicable	12.1%

\$ Remuneration considered w.e.f. 30<sup>th</sup> July, 2018.

ii. The percentage increase in the median remuneration of Employees in the Financial Year:

There was 2.59% increase in the median remuneration of employees during 2018-19.

iii. The No. of Permanent Employees on the rolls of Company:

No. of Permanent Employees on the rolls of the Company as on 31st March, 2019 were 6,299.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 12.27% whereas the increase in the managerial remuneration was 11.58%. The remuneration of Working Directors is decided based on Industry trend, remuneration package in other comparable Corporates, Job contents, key performance areas and Company's performance. (Remuneration of the Shri P. N. Chhangani, Whole-Time Director, appointed during the year has not been considered for the purpose).

v. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Place: Kolkata

B. G. Bangur

Chairman

Date: 18<sup>th</sup> May, 2019

DIN: 00244196



## **ANNEX-5 TO THE BOARD'S REPORT**

Form No. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2019

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To The Members, Shree Cement Limited Bangur Nagar, Beawar, Rajasthan-305 901

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Shree Cement Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Shree Cement 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 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, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the reporting period under audit)
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the reporting period under audit)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the reporting period under audit)
- (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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   (Not applicable to the Company during the reporting period under audit) &
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the reporting period under audit)
- (vi) Company has complied with the following laws applicable specifically to the Company:
  - (a) The Mines Act 1952, and Rules made thereunder, as amended from time to time
  - (b) Mines and Minerals (Development and Regulation) Act, 1957 and Rules made there under, as amended from time to time
  - (c) The Indian Electricity Act, 2003 and Rules made thereunder and other applicable Regulations, if any

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

- (i) Secretarial Standards on Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

### I further report that, during the year under review:

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 and Listing Regulations.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, 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 the decisions at Board Meetings and Board Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

I further report that there are adequate systems and

processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has:

- a) taken approval of Members by way of special resolution(s) through postal ballot process on 8<sup>th</sup> March, 2019 for continuation of directorship of Shri B.G. Bangur, Shri O.P. Setia, Shri R.L. Gaggar, Dr. Y.K. Alagh and Shri Nitin Desai beyond the age of 75 years and for confirmation of appointment of Shri P.N. Chhangani as Whole Time Director, in accordance with Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014.
- b) Acquired 100% equity stake in Raipur Handling & Infrastructure Private Limited (RHIPL).
- c) Acquired majority stake (97.61%) in Union Cement Company (UCC) PrJSC, a private Joint Stock Company based at Ras Al Khaimah, in United Arab Emirates (U.A.E). The acquisition was made through Wholly Owned Step-down subsidiary Company viz. Shree International Holding Limited, incorporated in U.A.E.
- d) Liquidated Shree Global Pte. Ltd. Singapore (Wholly Owned Subsidiary) of the Company.
- e) Obtained approval under section 180(1)(a) & (c) of the Companies Act, 2013 subject to an overall limit of ₹10,000 Crores (Rupees Ten Thousand Crores only).

For **P. Pincha & Associates**Company Secretaries

Pradeep Pincha Proprietor M. No.: FCS 5369 C. P. No.:4426

(This report is to be read with my letter of even date which is annexed as Annexure-A which forms an integral part of this report.)

Place: Jaipur

Date: 25th April, 2019

### ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To The Members, Shree Cement Limited Bangur Nagar, Beawar, Rajasthan-305901

The above report of even date is to be read along with this letter:

- 1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
- 2. I have followed the audit practices and processes 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4. Where ever required, I 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. My 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 **P. Pincha & Associates**Company Secretaries

Pradeep Pincha

Proprietor M. No.: FCS 5369 C. P. No.:4426

Place: Jaipur

Date: 25<sup>th</sup> April, 2019

## **ANNEX-6 TO THE BOARD'S REPORT**

## FORM NO. MGT-9 **EXTRACT OF ANNUAL RETURN**

as on Financial Year ended on 31<sup>st</sup> March, 2019 [Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION & OTHER DETAILS

1.	CIN	L26943RJ1979PLC001935
2.	Registration Date	25 <sup>th</sup> October, 1979
3.	Name of the Company	SHREE CEMENT LIMITED
4.	Category/Sub-category of the Company	Category :- Public Company Limited by Shares Sub-Category – Non-Govt. Company
5.	Address of the Registered office & contact details	Address: Bangur Nagar, Beawar, Rajasthan - 305901 Phone No.: +91-1462-228101   Fax No.: +91-1462-228117 E-mail ID - khandelwalss@shreecement.com www.shreecement.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name: M/s. Karvy Fintech Pvt. Ltd. Address: Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032 Phone No.: +91-40-67161526

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cement & Clinker	NIC Code 2394	93.16%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Shree Global FZE Office No. LB 13117, Jebel Ali Free Zone, P.O. Box 184278, Dubai, U.A.E	JAFZA Registration No.: 199340	Subsidiary Company	100%	2(87)
2	Shree Enterprises Management Ltd. Unit S1403, Level 14 Emirates Financial Towers Dubai International Financial Centre, P.O. Box 184278, Dubai, U.A.E	DIFC Registration No.: 2888	Subsidiary Company	100% (Beneficially Owned)	2(87)
3	Shree International Holding Ltd. Unit S1403, Level 14 Emirates Financial Towers Dubai International Financial Centre P.O. Box 184278, Dubai, U.A.E	DIFC Registration No.: 2905	Subsidiary Company	100%	2(87)
4	Union Cement Company (PrJSC) PO Box 170, Khor Khuwair, Ras Al Khaimah, U.A.E	U.A.E Ministry of Economy Registration No. 17	Subsidiary Company	97.61%	2(87)
5	Union Cement Norcem Co. Ltd. LLC, PO Box 170, Khor Khuwair, Ras Al Khaimah, U.A.E	Commercial License No. 9607	Subsidiary Company	60.00%	2(87)
6	Raipur Handling and Infrastructure Pvt. Ltd. C/o Shree Cement Limited, Village – Khapradih P.O. Grasim Vihar, Tahsil - Simga, Disstt. Baloda Bazar (Chhattisgarh)	U63011CT2004PTC016906	Subsidiary Company	100%	2(87)

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

## A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
A. Promoters									
(1) Indian									
a) Individual/ HUF	1074484	NIL	1074484	3.09%	1074484	NIL	1074484	3.09%	NIL
b) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt.(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corporate	21495313	NIL	21495313	61.70%	21495313	NIL	21495313	61.70%	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (1)	22569797	NIL	22569797	64.79%	22569797	NIL	22569797	64.79%	NIL
(2) Foreign									
a) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	22569797	NIL	22569797	64.79%	22569797		22569797	64.79%	NIL
Total shareholding of Promoter(s) (A) = (A)(1)+(A)(2)	22569797	NIC	22569797	64.79%	22569797	NIC	22569797	64.79%	NIC
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	2035026	1300	2036326	5.85%	1948638	1300	1949938	5.60%	(0.25)%
b) Banks / FI	29744	10100	39844	0.11%	21599	10100	31699	0.09%	(0.02)%
c) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt.(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	135166	NIL	135166	0.39%	181786	NIL	181786	0.52%	0.13%
g) FII(s) / FPI(s)	4465070	100	4465170	12.82%	4517454	100	4517554	12.97%	0.15%
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (Specify)									
- Alternate Investment Funds	18176	NIL	18176	0.05%	2886	NIL	2886	0.01%	(0.04)%
Sub-total (B) (1)	6683182	11500	6694682	19.22%	6672363	11500	6683863	19.19%	(0.03)%
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	663206	6800	670006	1.92%	706027	5200	711227	2.04%	0.12%
ii)Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	788557	153610	942167	2.70%	793010	117633	910643	2.61%	(0.09)%
ii)Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	128505	NIL	128505	0.37%	114005	NIL	114005	0.33%	(0.04)%

### A) Category-wise Share Holding (contd...)

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
c) Others (specify)									
- Clearing Members	27941	NIL	27941	0.08%	35450	NIL	35450	0.10%	0.02%
- Trusts	46169	NIL	46169	0.13%	42539	NIL	42539	0.12%	(0.01)%
<ul> <li>Investor Education and Protection Fund</li> </ul>	46120	NIL	46120	0.13%	55893	NIL	55893	0.16%	0.03%
- Foreign Nationalists	29	NIL	29	0.00%	36	NIL	36	0.00%	0.00%
- NBFC	2147	NIL	2147	0.01%	1684	NIL	1684	0.00%	0.00%
- Foreign Corporate Bodies	100000	3500000	3600000	10.33%	100000	3500000	3600000	10.33%	0.00%
- NRI (Repartiable)	46620	37850	84470	0.24%	54119	30800	84919	0.24%	0.00%
- NRI (Non-Repartiable)	25192	NIL	25192	0.07%	27169	NIL	27169	0.08%	0.01%
Sub-total (B) (2)	1874486	3698260	5572746	16.00%	1929932	3653633	5583565	16.03%	0.03%
Total Public Shareholding (B)= (B) (1)+ (B) (2)	8557668	3709760	12267428	35.21%	8602295	3665133	12267428	35.21%	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	31127465	3709760	34837225	100.00%	31172092	3665133	34837225	100.00%	NIL

### B) Shareholding of Promoters

Sl. No.		Shareholdin	g at the beginr (01.04.2018	ning of the year	Sharehold	ling at the end (31.03.2019	% Change in	
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	shareholding during the year
1	Benu Gopal Bangur	3,32,021	0.95%	NIL	10,221	0.03%	NIL	(0.92)%
2	Hari Mohan Bangur	4,42,438	1.27%	NIL	4,82,063*	1.38%	NIL	0.11%
3	Prashant Bangur	1,51,275	0.43%	NIL	3,89,750*	1.12%	NIL	0.69%
4	Rajkamal Devi Bangur	1,26,100	0.36%	NIL	1,26,100	0.36%	NIL	NIL
5	Ranu Bangur	20,000	0.06%	NIL	63,700	0.18%	NIL	0.12%
6	Riya Puja Jain	2,050	0.01%	NIL	2,050	0.01%	NIL	NIL
7	Padma Devi Maheshwari	600	0.00%	NIL	600	0.00%	NIL	NIL
8	Shree Capital Services Ltd.	89,84,155	25.79%	NIL	89,84,155	25.79%	NIL	NIL
9	Digvijay Finlease Ltd.	42,34,780	12.16%	NIL	42,34,780	12.16%	NIL	NIL
10	Mannakrishna Investments Pvt Ltd.	20,42,824	5.86%	NIL	20,42,824	5.86%	NIL	NIL
11	Newa Investments Pvt. Ltd.	13,76,270	3.95%	NIL	13,76,270	3.95%	NIL	NIL
12	Ragini Finance Ltd.	12,68,882	3.64%	NIL	12,68,882	3.64%	NIL	NIL
13	Didu Investments Pvt. Ltd.	11,70,909	3.36%	NIL	11,70,909	3.36%	NIL	NIL
14	NBI Industrial Finance Co Ltd.	8,49,450	2.44%	NIL	8,49,450	2.44%	NIL	NIL
15	The Venktesh Co Ltd.	4,60,030	1.32%	NIL	4,60,030	1.32%	NIL	NIL
16	Rajesh Vanijya Pvt. Ltd.	3,69,226	1.06%	NIL	3,69,226	1.06%	NIL	NIL
17	The Didwana Investment Company Ltd.	3,27,400	0.94%	NIL	3,27,400	0.94%	NIL	NIL
18	Asish Creations Pvt. Ltd.	2,10,737	0.60%	NIL	2,10,737	0.60%	NIL	NIL
19	Western India Commercial Co. Ltd.	2,00,650	0.58%	NIL	2,00,650	0.58%	NIL	NIL
	Total	2,25,69,797	64.79%	NIL	2,25,69,797	64.79%	NIL	NIL

 <sup>\* (</sup>i): Out of the 4,82,063 shares held by Shri Hari Mohan Bangur, the beneficial Interest on 14,100 shares is held by the following Trusts/Institutions (Belonging to Promoters Group):
 Benugopal Bangur Family Trust (Private Trust): 4,000 shares
 Sunder Devi Bangur Family Benefit Trust (Private Trust): 3,000 shares

<sup>-</sup> Sri Rama Nidhi (Family Deity): 7,100 shares

(ii): Out of the 3,89,750 shares held by Shri Prashant Bangur, the beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group).

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

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	beginnin	olding at the g of the year 04.2018)		ulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1	Benu Gopal Bangur					
	At the beginning of the year	3,32,021	0.95%	3,32,021	0.95%	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Inter-se transfer among Promoters on $2^{nd}$ March, 2019 (by way of Gift)	(1,20,000)	(0.34)%	2,12,021	0.61%	
	Inter-se transfer among Promoters on $15^{\rm th}$ March, 2019 (pursuant to partition of family HUF assets)	(89,000)	(0.26)%	1,23,021	0.35%	
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (Beneficial ownership remains unchanged)	(14,100)	(0.04)%	1,08,921	0.31%	
	Inter-se transfer among Promoters on 16 $^{\rm th}$ March, 2019 (by way of Gift)	(98,700)	(0.28)%	10,221	0.03%	
	At the end of the year (31.03.2019)			10,221	0.03%	
2	Hari Mohan Bangur					
	At the beginning of the year	4,42,438	1.27%	4,42,438	1.27%	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (pursuant to partition of family HUF assets)	49,350	0.14%	4,91,788	1.41%	
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (Beneficial ownership remains unchanged)	14,100	0.04%	5,05,888	1.45%	
	Inter-se transfer among Promoters on $15^{\rm th}$ March, 2019 (pursuant to partition of family HUF assets)	(23,825)	(0.07)%	4,82,063	1.38%	
	At the end of the year (31.03.2019)			4,82,063	1.38%	
3	Prashant Bangur					
	At the beginning of the year	1,51,275	0.43%	1,51,275	0.43%	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Inter-se transfer among Promoters on 2 <sup>nd</sup> March, 2019 (by way of Gift)	1,00,000	0.29%	2,51,275	0.72%	
	Inter-se transfer among Promoters on $15^{\rm th}$ March, 2019 (pursuant to partition of family HUF assets)	63,475	0.18%	3,14,750	0.90%	
	Inter-se transfer among Promoters on $16^{\mbox{\tiny th}}$ March, 2019 (by way of Gift)	75,000	0.22%	3,89,750	1.12%	
	At the end of the year (31.03.2019)			3,89,750	1.12%	
4	Ranu Bangur					
	At the beginning of the year	20,000	0.06%	20,000	0.06%	
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Inter-se transfer among Promoters on 2 <sup>nd</sup> March, 2019 (by way of Gift)	20,000	0.06%	40,000	0.12%	
	Inter-se transfer among Promoters on 16 <sup>th</sup> March, 2019 (by way of Gift)	23,700	0.07%	63,700	0.18%	
	At the end of the year (31.03.2019)			63,700	0.18%	

## D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

	and ADKS):			1				ı	
Sl. No.	Name	beginning	ding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	FLT Limited	3600000	10.33	01.04.2018				3600000	10.33
				31.03.2019	At th	e end of the	Year	3600000	10.33
2	Pinebridge	446705	1.28	01.04.2018				446705	1.28
	Investments GF			07.09.2018	Sale	6000	0.02	440705	1.27
	Mauritius Limited			01.03.2019	Sale	505	0.00	440200	1.26
				08.03.2019	Sale	14228	0.04	425972	1.22
				15.03.2019	Sale	3985	0.01	421987	1.21
				22.03.2019	Sale	2623	0.01	419364	1.20
				29.03.2019	Sale	2505	0.01	416859	1.20
				31.03.2019	At th	e end of the	Year	416859	1.20
3	UTI Mutual Fund	325970	0.94	01.04.2018				325970	0.94
				06.04.2018	Purchase	1078	0.00	327048	0.94
				13.04.2018	Purchase	1000	0.00	328048	0.94
				20.04.2018	Sale	20	0.00	328028	0.94
				04.05.2018	Sale	5	0.00	328023	0.94
				18.05.2018	Purchase	2000	0.01	330023	0.95
				08.06.2018	Purchase	2500	0.01	332523	0.95
				15.06.2018	Purchase	6000	0.02	338523	0.97
				22.06.2018	Purchase	5500	0.02	344023	0.99
				29.06.2018	Purchase	1491	0.00	345514	0.99
				06.07.2018	Purchase	5832	0.02	351346	1.01
				13.07.2018	Purchase	1562	0.00	352908	1.01
				27.07.2018	Purchase	33	0.00	352941	1.01
				03.08.2018	Sale	20	0.00	352921	1.01
				10.08.2018	Purchase	39	0.00	352960	1.01
				17.08.2018	Purchase	137	0.00	353097	1.01
				24.08.2018	Purchase	30	0.00	353127	1.01
				31.08.2018	Purchase	23	0.00	353150	1.01
				07.09.2018	Purchase	65	0.00	353215	1.01
				14.09.2018	Purchase	85	0.00	353300	1.01
				21.09.2018	Sale	18	0.00	353282	1.01
				28.09.2018	Sale	71	0.00	353211	1.01
				05.10.2018	Purchase	157	0.00	353368	1.01
				12.10.2018	Purchase	130	0.00	353498	1.01
				19.10.2018	Purchase	89	0.00	353587	1.02
				26.10.2018	Purchase	45	0.00	353632	1.02
				02.11.2018	Purchase	120	0.00	353752	1.02
				09.11.2018	Purchase	55	0.00	353807	1.02
				16.11.2018	Purchase	102	0.00	353909	1.02
				23.11.2018	Purchase	30	0.00	353939	1.02
				30.11.2018	Purchase	67	0.00	354006	1.02
				07.12.2018	Purchase	4712	0.01	358718	1.03
				14.12.2018	Purchase	175	0.00	358893	1.03

Sl. No.	Name	beginning	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				21.12.2018	Purchase	101	0.00	358994	1.03
				28.12.2018	Sale	37	0.00	358957	1.03
				04.01.2019	Purchase	85	0.00	359042	1.03
				11.01.2019	Purchase	65	0.00	359107	1.03
				18.01.2019	Sale	1996	0.01	357111	1.03
				25.01.2019	Sale	2199	0.01	354912	1.02
				01.02.2019	Purchase	1370	0.00	356282	1.02
				08.02.2019	Sale	1095	0.00	355187	1.02
				15.02.2019	Purchase	94	0.00	355281	1.02
				22.02.2019	Sale	1000	0.00	354281	1.02
				01.03.2019	Purchase	111	0.00	354392	1.02
				08.03.2019	Sale	40	0.00	354352	1.02
				15.03.2019	Sale	311	0.00	354041	1.02
				22.03.2019	Purchase	85	0.00	354126	1.02
				29.03.2019	Purchase	252	0.00	354378	1.02
				31.03.2019	At th	e end of the	Year	354378	1.02
4	KOTAK MUTUAL	319393	0.92	01.04.2018				319393	0.92
	FUND			06.04.2018	Purchase	4450	0.01	323843	0.93
				13.04.2018	Sale	500	0.00	323343	0.93
				27.04.2018	Purchase	2600	0.01	325943	0.94
				04.05.2018	Purchase	2050	0.01	327993	0.94
				11.05.2018	Purchase	2500	0.01	330493	0.95
				18.05.2018	Sale	900	0.00	329593	0.95
				25.05.2018	Sale	11250	0.03	318343	0.91
				01.06.2018	Sale	5200	0.01	313143	0.90
				08.06.2018	Purchase	700	0.00	313843	0.90
				15.06.2018	Purchase	1250	0.00	315093	0.90
				22.06.2018	Purchase	100	0.00	315193	0.90
				29.06.2018	Purchase	1600	0.00	316793	0.91
				06.07.2018	Purchase	4250	0.01	321043	0.92
				13.07.2018	Sale	7850	0.02	313193	0.90
				20.07.2018	Sale	3850	0.01	309343	0.89
				27.07.2018	Sale	3441	0.01	305902	0.88
				03.08.2018	Purchase	8069	0.02	313971	0.90
				10.08.2018	Sale	50	0.00	313921	0.90
				17.08.2018	Purchase	3900	0.01	317821	0.91
				24.08.2018	Purchase	1541	0.00	319362	0.92
				31.08.2018	Sale	2197	0.01	317165	0.91
				07.09.2018	Sale	5849	0.02	311316	0.89
				14.09.2018	Purchase	3498	0.01	314814	0.90
				21.09.2018	Purchase	8088	0.02	322902	0.93
				28.09.2018	Sale	3694	0.01	319208	0.92
				05.10.2018	Purchase	6250	0.02	325458	0.93
				12.10.2018	Purchase	2922	0.01	328380	0.94
				19.10.2018	Purchase	1900	0.01	330280	0.95

Sl. No.	Name	beginning	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				26.10.2018	Purchase	25713	0.07	355993	1.02
				02.11.2018	Purchase	21506	0.06	377499	1.08
				09.11.2018	Purchase	23878	0.07	401377	1.15
				16.11.2018	Sale	9069	0.03	392308	1.13
				23.11.2018	Sale	5184	0.01	387124	1.11
				30.11.2018	Purchase	4150	0.01	391274	1.12
				07.12.2018	Sale	2673	0.01	388601	1.12
				14.12.2018	Sale	5550	0.02	383051	1.10
				21.12.2018	Purchase	625	0.00	383676	1.10
				28.12.2018	Sale	26026	0.07	357650	1.03
				31.12.2018	Sale	502	0.00	357148	1.03
				04.01.2019	Purchase	1800	0.01	358948	1.03
				11.01.2019	Purchase	50	0.00	358998	1.03
				18.01.2019	Purchase	8977	0.03	367975	1.06
				25.01.2019	Purchase	5579	0.02	373554	1.07
				01.02.2019	Purchase	7019	0.02	380573	1.09
				08.02.2019	Sale	3450	0.01	377123	1.08
				15.02.2019	Sale	3015	0.01	374108	1.07
				22.02.2019	Purchase	18339	0.05	392447	1.13
				01.03.2019	Sale	3050	0.01	389397	1.12
				08.03.2019	Sale	779	0.00	388618	1.12
				15.03.2019	Sale	8980	0.03	379638	1.09
				22.03.2019	Sale	2950	0.01	376688	1.08
				29.03.2019	Sale	250	0.00	376438	1.08
				31.03.2019	At th	e end of the	Year	376438	1.08
5	DSP BLACKROCK	320011	0.92	01.04.2018				320011	0.92
	MUTUAL FUND			06.04.2018	Purchase	6	0.00	320017	0.92
				27.04.2018	Sale	13	0.00	320004	0.92
				11.05.2018	Sale	18	0.00	319986	0.92
				25.05.2018	Sale	2371	0.01	317615	0.91
				08.06.2018	Sale	1757	0.01	315858	0.91
				15.06.2018	Sale	3531	0.01	312327	0.90
				22.06.2018	Sale	24	0.00	312303	0.90
				29.06.2018	Sale	518	0.00	311785	0.89
				20.07.2018	Sale	1795	0.01	309990	0.89
				27.07.2018	Purchase	506	0.00	310496	0.89
				10.08.2018	Sale	4445	0.01	306051	0.88
				17.08.2018	Sale	972	0.00	305079	0.88
				24.08.2018	Purchase	6396	0.02	311475	0.89
				31.08.2018	Purchase	2979	0.01	314454	0.90
				07.09.2018	Purchase	4429	0.01	318883	0.92
				14.09.2018	Purchase	2076	0.01	320959	0.92
				28.09.2018	Sale	100	0.00	320859	0.92
				05.10.2018	Sale	3521	0.01	317338	0.91
				12.10.2018	Sale	3250	0.01	314088	0.90

Sl. No.	Name	beginnin	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				19.10.2018	Sale	3768	0.01	310320	0.89
				02.11.2018	Purchase	2546	0.01	312866	0.90
				09.11.2018	Purchase	5369	0.02	318235	0.91
				21.12.2018	Sale	20465	0.06	297770	0.85
				28.12.2018	Sale	27882	0.08	269888	0.77
				31.12.2018	Sale	3437	0.01	266451	0.76
				01.02.2019	Sale	13235	0.04	253216	0.73
				08.02.2019	Sale	6206	0.02	247010	0.71
				15.02.2019	Sale	3815	0.01	243195	0.70
				01.03.2019	Sale	3934	0.01	239261	0.69
				08.03.2019	Sale	5514	0.02	233747	0.67
				15.03.2019	Sale	1771	0.01	231976	0.67
				22.03.2019	Sale	629	0.00	231347	0.66
				29.03.2019	Sale	944	0.00	230403	0.66
				31.03.2019		e end of the		230403	0.66
5	KUWAIT	304559	0.87	01.04.2018				304559	0.87
	INVESTMENT			06.04.2018	Purchase	1139	0.00	305698	0.88
	AUTHORITY			13.04.2018	Purchase	6360	0.02	312058	0.90
	7.61.161			20.04.2018	Purchase	3005	0.01	315063	0.90
				11.05.2018	Sale	9746	0.03	305317	0.88
				18.05.2018	Sale	4971	0.01	300346	0.86
				01.06.2018	Purchase	4169	0.01	304515	0.87
				08.06.2018	Purchase	12699	0.04	317214	0.91
				15.06.2018	Sale	2829	0.01	314385	0.90
				29.06.2018	Purchase	4549	0.01	318934	0.92
				06.07.2018	Purchase	550	0.00	319484	0.92
				13.07.2018	Purchase	1830	0.01	321314	0.92
				20.07.2018	Purchase	2522	0.01	323836	0.93
				24.08.2018	Purchase	769	0.00	324605	0.93
				31.08.2018	Purchase	15195	0.04	339800	0.98
				07.09.2018	Purchase	6389	0.02	346189	0.99
				14.09.2018	Purchase	4735	0.01	350924	1.01
				21.09.2018	Purchase	2061	0.01	352985	1.01
				05.10.2018	Sale	2800	0.01	350185	1.01
				12.10.2018	Sale	10566	0.03	339619	0.97
				19.10.2018	Sale	2214	0.01	337405	0.97
				26.10.2018	Sale	4483	0.01	332922	0.96
				02.11.2018	Purchase	16353	0.05	349275	1.00
				09.11.2018	Purchase	35391	0.05	384666	1.10
				16.11.2018	Purchase	7803	0.10	392469	1.13
				07.12.2018	Purchase	10030	0.02	402499	1.15
				14.12.2018	Purchase	2206	0.03	402499	1.16
				21.12.2018	Sale	1514	0.01	403191	1.16
				04.01.2019		30017	0.00		
					Sale			373174	1.07
				11.01.2019	Sale	915	0.00	372259	1.07

Sl. No.	Name	beginning	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding	Cumulative Shareholdin during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				18.01.2019	Sale	7431	0.02	364828	1.05
				01.02.2019	Purchase	6298	0.02	371126	1.07
				08.02.2019	Purchase	12728	0.04	383854	1.10
				15.02.2019	Purchase	7475	0.02	391329	1.12
				08.03.2019	Purchase	5923	0.02	397252	1.14
				31.03.2019	At th	e end of the	Year	397252	1.14
7	ICICI PRUDENTIAL	278020	0.80	01.04.2018				278020	0.80
	MUTUAL FUND			06.04.2018	Purchase	907	0.00	278927	0.80
				13.04.2018	Purchase	559	0.00	279486	0.80
				20.04.2018	Purchase	10923	0.03	290409	0.83
				27.04.2018	Purchase	4	0.00	290413	0.83
				04.05.2018	Sale	6222	0.02	284191	0.82
				11.05.2018	Sale	1711	0.00	282480	0.81
				18.05.2018	Sale	2908	0.01	279572	0.80
				25.05.2018	Purchase	120	0.00	279692	0.80
				01.06.2018	Purchase	226	0.00	279918	0.80
				08.06.2018	Sale	1891	0.01	278027	0.80
				15.06.2018	Purchase	45	0.00	278072	0.80
				22.06.2018	Sale	10045	0.03	268027	0.77
				29.06.2018	Purchase	9639	0.03	277666	0.80
				06.07.2018	Sale	124	0.00	277542	0.80
				13.07.2018	Sale	24241	0.07	253301	0.73
				20.07.2018	Sale	11748	0.03	241553	0.69
				27.07.2018	Sale	3390	0.01	238163	0.68
				03.08.2018	Sale	5053	0.01	233110	0.67
				10.08.2018	Sale	109	0.00	233001	0.67
				17.08.2018	Sale	37	0.00	232964	0.67
				24.08.2018	Sale	860	0.00	232104	0.67
				31.08.2018	Sale	402	0.00	231702	0.67
				07.09.2018	Sale	22	0.00	231680	0.67
				14.09.2018	Sale	25	0.00	231655	0.66
				21.09.2018	Purchase	42	0.00	231697	0.67
				28.09.2018	Sale	738	0.00	230959	0.66
				05.10.2018	Sale	4265	0.01	226694	0.65
				12.10.2018	Purchase	195	0.00	226889	0.65
				19.10.2018	Purchase	208	0.00	227097	0.65
				26.10.2018	Purchase	5290	0.02	232387	0.67
				02.11.2018	Purchase	141	0.00	232528	0.67
				09.11.2018	Purchase	49	0.00	232577	0.67
				16.11.2018	Purchase	90	0.00	232667	0.67
				23.11.2018	Sale	3010	0.01	229657	0.66
				30.11.2018	Sale	32697	0.09	196960	0.57
				07.12.2018	Sale	16599	0.05	180361	0.57
				14.12.2018	Sale	2732	0.03	177629	0.52
				21.12.2018	Sale	11255	0.03	166374	0.48

Sl. No.	Name	beginnin	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				28.12.2018	Sale	7860	0.02	158514	0.46
				04.01.2019	Purchase	23	0.00	158537	0.46
				11.01.2019	Purchase	82	0.00	158619	0.46
				18.01.2019	Sale	626	0.00	157993	0.45
				25.01.2019	Purchase	42	0.00	158035	0.45
				01.02.2019	Sale	1281	0.00	156754	0.45
				08.02.2019	Purchase	57	0.00	156811	0.45
				15.02.2019	Purchase	121	0.00	156932	0.45
				22.02.2019	Sale	433	0.00	156499	0.45
				01.03.2019	Purchase	84	0.00	156583	0.45
				08.03.2019	Purchase	46	0.00	156629	0.45
				15.03.2019	Purchase	79	0.00	156708	0.45
				22.03.2019	Sale	6160	0.02	150548	0.43
				29.03.2019	Sale	1159	0.00	149389	0.43
				31.03.2019	At th	e end of the	Year	149389	0.43
8	FRANKLIN	277117	0.80	01.04.2018				277117	0.80
	TEMPLETON			06.04.2018	Sale	41342	0.12	235775	0.68
	INVESTMENT			18.05.2018	Sale	7541	0.02	228234	0.66
	FUNDS			01.06.2018	Sale	9203	0.03	219031	0.63
				08.06.2018	Sale	6000	0.02	213031	0.61
				15.06.2018	Sale	3856	0.01	209175	0.60
				09.11.2018	Purchase	39200	0.11	248375	0.71
				11.01.2019	Sale	6885	0.02	241490	0.69
				18.01.2019	Sale	324	0.00	241166	0.69
				15.03.2019	Sale	13205	0.04	227961	0.65
				22.03.2019	Sale	15799	0.05	212162	0.61
				29.03.2019	Sale	10134	0.03	202028	0.58
				31.03.2019		e end of the		202028	0.58
9	AXIS MUTUAL	213258	0.61	01.04.2018				213258	0.61
	FUND#	210200	0.01	06.04.2018	Purchase	250	0.00	213508	0.61
	. 3.15 "			13.04.2018	Purchase	1600	0.00	215108	0.62
				20.04.2018	Sale	5000	0.01	210108	0.60
				27.04.2018	Purchase	5000	0.01	215108	0.62
				04.05.2018	Sale	270	0.00	214838	0.62
				11.05.2018	Purchase	2200	0.01	217038	0.62
				25.05.2018	Purchase	548	0.00	217586	0.62
				01.06.2018	Purchase	1807	0.00	219393	0.63
				08.06.2018	Sale	2120	0.01	217273	0.62
				15.06.2018	Sale	2500	0.01	214773	0.62
				29.06.2018	Purchase	3500	0.01	218273	0.63
				06.07.2018	Purchase	6400	0.01	224673	0.64
				13.07.2018	Purchase	5253	0.02	229926	0.66
				20.07.2018	Purchase	2000	0.02	231926	0.67
				27.07.2018	Purchase	12388	0.01	244314	0.70
				03.08.2018	Purchase	1500	0.04	244314	0.70

Sl. No.	Name	beginning	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				10.08.2018	Sale	4750	0.01	241064	0.69
				17.08.2018	Purchase	10150	0.03	251214	0.72
				24.08.2018	Sale	700	0.00	250514	0.72
				31.08.2018	Purchase	13116	0.04	263630	0.76
				07.09.2018	Sale	350	0.00	263280	0.76
				21.09.2018	Purchase	16029	0.05	279309	0.80
				19.10.2018	Purchase	2600	0.01	281909	0.81
				26.10.2018	Sale	25289	0.07	256620	0.74
				02.11.2018	Sale	153056	0.44	103564	0.30
				09.11.2018	Sale	1550	0.00	102014	0.29
				16.11.2018	Sale	950	0.00	101064	0.29
				23.11.2018	Sale	13350	0.04	87714	0.25
				30.11.2018	Sale	19993	0.06	67721	0.19
				07.12.2018	Sale	4938	0.01	62783	0.18
				14.12.2018	Purchase	215	0.00	62998	0.18
				21.12.2018	Sale	6426	0.02	56572	0.16
				28.12.2018	Sale	5501	0.02	51071	0.15
				04.01.2019	Purchase	95	0.00	51166	0.15
				11.01.2019	Sale	6376	0.02	44790	0.13
				18.01.2019	Sale	1200	0.00	43590	0.13
				25.01.2019	Sale	18191	0.05	25399	0.07
				01.02.2019	Sale	4673	0.01	20726	0.06
				08.03.2019	Sale	1200	0.00	19526	0.06
				15.03.2019	Sale	1241	0.00	18285	0.05
				22.03.2019	Sale	1050	0.00	17235	0.05
				29.03.2019	Sale	9600	0.03	7635	0.02
				31.03.2019	At th	e end of the	Year	7635	0.02
10	HDFC STANDARD	190929	0.55	01.04.2018				190929	0.55
	LIFE INSURANCE			13.04.2018	Sale	962	0.00	189967	0.55
	COMPANY			20.04.2018	Sale	12839	0.04	177128	0.51
	LIMITED#			27.04.2018	Sale	1607	0.00	175521	0.50
				04.05.2018	Sale	723	0.00	174798	0.50
				11.05.2018	Sale	228	0.00	174570	0.50
				18.05.2018	Sale	2378	0.01	172192	0.49
				25.05.2018	Sale	16537	0.05	155655	0.45
				01.06.2018	Sale	4604	0.01	151051	0.43
				15.06.2018	Sale	19	0.00	151032	0.43
				22.06.2018	Sale	3449	0.01	147583	0.42
				29.06.2018	Sale	4242	0.01	143341	0.41
				13.07.2018	Sale	1651	0.00	141690	0.41
				20.07.2018	Purchase	460	0.00	142150	0.41
				27.07.2018	Sale	1133	0.00	141017	0.40
				03.08.2018	Sale	9697	0.03	131320	0.38
				10.08.2018	Sale	126	0.00	131194	0.38
				17.08.2018	Purchase	4	0.00	131198	0.38
				24.08.2018	Sale	89	0.00	131109	0.38

Sl. No.	Name	beginning	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				31.08.2018	Sale	1276	0.00	129833	0.37
				28.09.2018	Sale	1874	0.01	127959	0.37
				05.10.2018	Purchase	36	0.00	127995	0.37
				12.10.2018	Purchase	3	0.00	127998	0.37
				19.10.2018	Purchase	16	0.00	128014	0.37
				26.10.2018	Sale	46	0.00	127968	0.37
				02.11.2018	Purchase	68	0.00	128036	0.37
				09.11.2018	Purchase	33	0.00	128069	0.37
				16.11.2018	Purchase	700	0.00	128769	0.37
				23.11.2018	Sale	1040	0.00	127729	0.37
				30.11.2018	Sale	3	0.00	127726	0.37
				07.12.2018	Purchase	285	0.00	128011	0.37
				14.12.2018	Sale	215	0.00	127796	0.37
				28.12.2018	Sale	7618	0.02	120178	0.34
				11.01.2019	Sale	1221	0.00	118957	0.34
				18.01.2019	Purchase	2000	0.01	120957	0.35
				25.01.2019	Sale	1691	0.00	119266	0.34
				01.02.2019	Sale	788	0.00	118478	0.34
				08.02.2019	Sale	649	0.00	117829	0.34
				15.02.2019	Sale	865	0.00	116964	0.34
				22.02.2019	Sale	39	0.00	116925	0.34
				01.03.2019	Sale	109	0.00	116816	0.34
				08.03.2019	Sale	7	0.00	116809	0.34
				29.03.2019	Purchase	2188	0.01	118997	0.34
				31.03.2019		e end of the		118997	0.34
11	ADITYA BIRLA	167005	0.48	01.04.2018				167005	0.48
	SUN LIFE			11.05.2018	Purchase	10080	0.03	177085	0.51
	TRUSTEE			29.06.2018	Purchase	1000	0.00	178085	0.51
	PRIVATE			27.07.2018	Sale	5297	0.02	172788	0.50
	LIMITED*			03.08.2018	Sale	14111	0.04	158677	0.46
				07.09.2018	Sale	900	0.00	157777	0.45
				05.10.2018	Sale	1500	0.00	156277	0.45
				02.11.2018	Purchase	26500	0.08	182777	0.52
				09.11.2018	Purchase	6100	0.02	188877	0.54
				23.11.2018	Purchase	12000	0.03	200877	0.58
				30.11.2018	Purchase	4000	0.01	204877	0.59
				21.12.2018	Purchase	1927	0.01	206804	0.59
				28.12.2018	Purchase	20	0.00	206824	0.59
				11.01.2019	Purchase	92787	0.27	299611	0.86
				18.01.2019	Sale	98287	0.28	201324	0.58
				08.02.2019	Purchase	1800	0.01	203124	0.58
				15.02.2019	Sale	2231	0.01	200893	0.58
				22.02.2019	Purchase	200	0.00	201093	0.58
				01.03.2019	Purchase	210	0.00	201303	0.58
				08.03.2019	Sale	548	0.00	200755	0.58

Sl. No.	Name	beginnin	lding at the g of the year 4.2018)	Date	Reason		e/Decrease in reholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				15.03.2019	Purchase	963	0.00	201718	0.58
				29.03.2019	Purchase	415	0.00	202133	0.58
				31.03.2019	At th	e end of the	Year	202133	0.58
12	L AND T MUTUAL	67176	0.19	01.04.2018				67176	0.19
	FUND TRUSTEE			06.04.2018	Purchase	55478	0.16	122654	0.35
	LTD.*			13.04.2018	Purchase	7832	0.02	130486	0.37
				04.05.2018	Purchase	4546	0.01	135032	0.39
				18.05.2018	Purchase	5488	0.02	140520	0.40
				01.06.2018	Purchase	10000	0.03	150520	0.43
				22.06.2018	Purchase	700	0.00	151220	0.43
				29.06.2018	Purchase	24277	0.07	175497	0.50
				13.07.2018	Sale	700	0.00	174797	0.50
				27.07.2018	Purchase	4756	0.01	179553	0.52
				07.09.2018	Sale	8084	0.02	171469	0.49
				14.09.2018	Sale	28515	0.08	142954	0.41
				21.09.2018	Sale	2363	0.01	140591	0.40
				05.10.2018	Sale	2000	0.01	138591	0.40
				19.10.2018	Purchase	300	0.00	138891	0.40
				26.10.2018	Sale	7250	0.02	131641	0.38
				02.11.2018	Sale	34383	0.10	97258	0.28
				09.11.2018	Sale	19952	0.16	77306	0.22
				16.11.2018	Sale	5517	0.02	71789	0.21
				07.12.2018	Purchase	4909	0.02	76698	0.21
				18.01.2019	Purchase	2800	0.01	79498	0.23
				22.02.2019	Purchase	4781	0.01	84279	0.24
				08.03.2019	Purchase	4313	0.01	88592	0.25
				29.03.2019	Sale	50	0.00	88542	0.25
				31.03.2019		e end of the		88542	0.25
13	ICICI	66826	0.19	01.04.2018	7	e cho or the	1001	66826	0.19
13	PRUDENTIAL	00020	0.13	06.04.2018	Purchase	122	0.00	66948	0.19
	LIFE INSURANCE			13.04.2018	Purchase	112	0.00	67060	0.19
	COMPANY			20.04.2018	Sale	122	0.00	66938	0.19
	LIMITED*			27.04.2018	Sale	20	0.00	66918	0.19
	CIIVIITED			04.05.2018	Sale	67	0.00	66851	0.19
				11.05.2018	Purchase	6090	0.02	72941	0.21
				18.05.2018	Purchase	6693	0.02	79634	0.21
				25.05.2018	Purchase	272	0.02	79906	0.23
				01.06.2018	Purchase	629	0.00	80535	0.23
				15.06.2018	Purchase	619	0.00	81154	0.23
				22.06.2018	Purchase	292	0.00	81446	0.23
				29.06.2018	Purchase	5972	0.00	87418	0.23
				06.07.2018	Purchase				0.25
						1231	0.00	88649 89026	
				13.07.2018	Purchase Purchase	377	0.00	89026	0.26
						319	0.00		0.26
				27.07.2018	Purchase	6591	0.02	95936	0.28

Sl. No.	Name	beginnin	lding at the g of the year 14.2018)	Date	Reason		/Decrease in eholding		Shareholding the year
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				03.08.2018	Sale	479	0.00	95457	0.27
				10.08.2018	Purchase	1521	0.00	96978	0.28
				17.08.2018	Purchase	3358	0.01	100336	0.29
				24.08.2018	Purchase	3100	0.01	103436	0.30
				31.08.2018	Purchase	1805	0.01	105241	0.30
				07.09.2018	Purchase	2045	0.01	107286	0.31
				14.09.2018	Purchase	1061	0.00	108347	0.31
				21.09.2018	Purchase	1567	0.00	109914	0.32
				28.09.2018	Purchase	9369	0.03	119283	0.34
				05.10.2018	Purchase	18232	0.05	137515	0.39
				12.10.2018	Purchase	24226	0.07	161741	0.46
				19.10.2018	Purchase	10536	0.03	172277	0.49
				26.10.2018	Purchase	3640	0.01	175917	0.50
				02.11.2018	Purchase	6367	0.02	182284	0.52
				09.11.2018	Purchase	8030	0.02	190314	0.55
				16.11.2018	Purchase	1457	0.00	191771	0.55
				07.12.2018	Sale	1281	0.00	190490	0.55
				21.12.2018	Purchase	8804	0.03	199294	0.57
				28.12.2018	Purchase	570	0.00	199864	0.57
				31.12.2018	Purchase	452	0.00	200316	0.58
				04.01.2019	Purchase	2172	0.01	202488	0.58
				11.01.2019	Purchase	197864	0.57	400352	1.15
				18.01.2019	Sale	203637	0.58	196715	0.56
				25.01.2019	Purchase	729	0.00	197444	0.57
				01.02.2019	Purchase	1046	0.00	198490	0.57
				08.02.2019	Purchase	1238	0.00	199728	0.57
				15.02.2019	Purchase	485	0.00	200213	0.57
				22.02.2019	Purchase	862	0.00	201075	0.58
				01.03.2019	Purchase	627	0.00	201702	0.58
				08.03.2019	Purchase	3892	0.01	205594	0.59
				15.03.2019	Purchase	282	0.00	205876	0.59
				22.03.2019	Purchase	528	0.00	206404	0.59
				29.03.2019	Purchase	4212	0.01	210616	0.60
				31.03.2019	At th	e end of the	Year	210616	0.60
14	SBI MUTUAL	78597	0.23	01.04.2018				78597	0.23
	FUND*			06.04.2018	Purchase	8	0.00	78605	0.23
				20.04.2018	Purchase	10883	0.03	89488	0.26
				11.05.2018	Purchase	5	0.00	89493	0.26
				18.05.2018	Purchase	8	0.00	89501	0.26
				01.06.2018	Purchase	22960	0.07	112461	0.32
				08.06.2018	Purchase	9875	0.03	122336	0.35
				15.06.2018	Purchase	550	0.00	122886	0.35
				22.06.2018	Sale	10878	0.03	112008	0.32
				29.06.2018	Purchase	4	0.00	112012	0.32
				13.07.2018	Purchase	76	0.00	112088	0.32

Sl. No.	Name	beginning	lding at the g of the year 4.2018)	Date	Reason		/Decrease in eholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				20.07.2018	Purchase	5	0.00	112093	0.32
				27.07.2018	Sale	248	0.00	111845	0.32
				03.08.2018	Purchase	16950	0.05	128795	0.37
				10.08.2018	Purchase	5	0.00	128800	0.37
				24.08.2018	Purchase	4252	0.01	133052	0.38
				31.08.2018	Purchase	3496	0.01	136548	0.39
				21.09.2018	Sale	40	0.00	136508	0.39
				28.09.2018	Purchase	10131	0.03	146639	0.42
				05.10.2018	Purchase	66008	0.19	212647	0.61
				12.10.2018	Purchase	28913	0.08	241560	0.69
				19.10.2018	Purchase	5	0.00	241565	0.69
				26.10.2018	Purchase	10	0.00	241575	0.69
				02.11.2018	Purchase	11000	0.03	252575	0.73
				16.11.2018	Sale	406	0.00	252169	0.72
				23.11.2018	Purchase	4900	0.01	257069	0.74
				30.11.2018	Purchase	18182	0.05	275251	0.79
				07.12.2018	Purchase	27563	0.08	302814	0.87
				14.12.2018	Purchase	7964	0.02	310778	0.89
				04.01.2019	Purchase	40	0.00	310818	0.89
				18.01.2019	Purchase	10	0.00	310828	0.89
				25.01.2019	Purchase	6000	0.02	316828	0.91
				01.02.2019	Purchase	7	0.00	316835	0.91
				08.02.2019	Purchase	1199	0.00	318034	0.91
				15.02.2019	Purchase	345	0.00	318379	0.91
				22.02.2019	Purchase	11	0.00	318390	0.91
				01.03.2019	Purchase	230	0.00	318620	0.91
				08.03.2019	Purchase	6636	0.02	325256	0.93
				15.03.2019	Purchase	17615	0.05	342871	0.98
				22.03.2019	Purchase	1766	0.01	344637	0.99
				29.03.2019	Sale	230	0.00	344407	0.99
				31.03.2019	At th	e end of the	Year	344407	0.99

**Note:** Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholders.

<sup>#</sup> Ceased to be in the list of Top 10 Shareholders during the year. The same are reflected above since the shareholders were among Top 10 shareholders at the beginning of the year i.e. 01.04.2018.

 $<sup>^{*}</sup>$  Not in the list of Top 10 Shareholders as on 01.04.2018. The same has been reflected above since the shareholders ware among Top 10 shareholders during the period 01.04.2018 to 31.03.2019.

#### E) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1	Benu Gopal Bangur - Chairman					
	At the beginning of the year	3,32,021	0.95%	3,32,021	0.95%	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):					
	Inter-se transfer among Promoters on 2 <sup>nd</sup> March, 2019 (by way of Gift)	(1,20,000)	(0.34)%	2,12,021	0.61%	
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (pursuant to partition of family HUF assets)	(89,000)	(0.26)%	1,23,021	0.35%	
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (Beneficial ownership remains unchanged)	(14,100)	(0.04)%	1,08,921	0.31%	
	Inter-se transfer among Promoters on 16 <sup>th</sup> March, 2019 (by way of Gift)	(98,700)	(0.28)%	10,221	0.03%	
	At the end of the year (31.03.2019)			10,221	0.03%	
2	Hari Mohan Bangur – Managing Director (Key Managerial Personnel)					
	At the beginning of the year	4,42,438	1.27%	4,42,438	1.27%	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):					
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (pursuant to partition of family HUF assets)	49,350	0.14%	4,91,788	1.41%	
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (Beneficial ownership remains unchanged)	14,100	0.04%	5,05,888	1.45%	
	Inter-se transfer among Promoters on $15^{\rm th}$ March, 2019 (pursuant to partition of family HUF assets)	(23,825)	(0.07)%	4,82,063	1.38%	
	At the end of the year (31.03.2019)			4,82,063	1.38%	
3	Prashant Bangur - Jt. Managing Director (Key Managerial Person	nel)				
	At the beginning of the year	1,51,275	0.43%	1,51,275	0.43%	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):					
	Inter-se transfer among Promoters on 2 <sup>nd</sup> March, 2019 (by way of Gift)	1,00,000	0.29%	2,51,275	0.72%	
	Inter-se transfer among Promoters on 15 <sup>th</sup> March, 2019 (pursuant to partition of family HUF assets)	63,475	0.18%	3,14,750	0.90%	
	Inter-se transfer among Promoters on 16 <sup>th</sup> March, 2019 (by way of Gift)	75,000	0.22%	3,89,750	1.12%	
	At the end of the year (31.03.2019)			3,89,750	1.12%	

Other Directors, Chief Finance Officer and Company Secretary of the Company did not hold any shares of the Company during the financial year 2018-19

#### V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
i) Principal Amount	2,385.12	1,017.86	-	3,402.98
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.50	-	-	6.50
Total (i+ii+iii)	2,391.62	1,017.86	-	3,409.48
Change in Indebtedness during the financial year				
Addition (Principal)	426.24	591.09	-	1,017.33
Reduction (Principal)	8.41	1,608.95	-	1,617.36
Net Change	417.83	(1,017.86)	-	(600.03)
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	2,802.95	-	-	2,802.95
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.93	-	-	5.93
Total (i+ii+iii)	2,808.88	-	-	2,808.88

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lac)

Sl. No.	Particulars of Remuneration	H. M. Bangur (Managing Director)	Prashant Bangur (Jt. Managing Director)	P. N. Chhangani (WTD)*	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,348.25	1,122.60	213.24	3,684.09
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.76	3.13	14.07	19.96
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- Others, please specify (As decided by Board for FY 2018-19)	2,100.00	1,050.00	-	3,150.00
5	Others, please specify				
	Retiral Benefits (Contribution to Provident Fund and Superannuation Fund) & Others	173.25	125.34	33.49	332.08
Tota	l (A)	4,624.26	2,301.07	260.80	7,186.13
Ceili	ng as per the Act				17,922.70

<sup>\*</sup>Remuneration considered after appointment as Whole Time Director of the Company w.e.f.  $30^{\text{th}}$  July, 2018.

#### B. Remuneration to other directors

(₹ in Lac)

Sl. No.	Particulars of Remuneration	Name of Directors							
		R. L. Gaggar	Shreekant Somany	O. P. Setia	Dr. Y. K. Alagh	Nitin Desai	Dr. Leena Srivastava	Sanjiv Krishnaji Shelgikar	Total Amount
1.	Independent Directors								
	Fee for attending board / committee meetings	8.25	5.25	8.25	8.25	8.25	4.50	7.50	50.25
	Commission	33.00	33.00	33.00	33.00	33.00	33.00	33.00	231.00
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	41.25	38.25	41.25	41.25	41.25	37.50	40.50	281.25
2.	Other Non-Executive Directors								•
		B. G. Bangur	Ramakant Sharma*	Total Amount					
	Fee for attending board / committee meetings	3.00	2.25	5.25					
	Commission	33.00	N.A.	33.00					
	Others, please specify	Nil	Nil	Nil					
	Total (2)	36.00	2.25	38.25					

319.50

Total (B)=(1+2)

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

(₹ in Lac)

Sr.	Particulars of Remuneration	Key M	anagerial Person	nel
No.		S. S. Khandelwal (Company Secretary)	Subhash Jajoo (CFO)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	135.25	92.52	227.77
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.07	Nil	0.07
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- Others, please specify	-	-	-
5	Others, please specify			
	Retiral Benefits (Contribution to Provident Fund and Superannuation Fund) & Others	14.88	9.96	24.84
	Total	150.20	102.48	252.68

<sup>\*</sup> Ceased as Director w.e.f.  $4^{th}$  August, 2018

#### **VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Туре	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	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

Place: Kolkata Date: 18<sup>th</sup> May, 2019 **B. G. Bangur** Chairman DIN: 00244196

### **ANNEX-7 TO THE BOARD'S REPORT**

#### REMUNERATION POLICY

#### 1. Vision and Objective

Shree believes in nurturing a people friendly environment which is geared to drive the organization towards high and sustainable growth. Each and every personnel working with Shree strives to achieve the Company's vision of being the best in the industry.

#### 2. Objective of the policy

The objective of the remuneration policy is:-

- to enable the Nomination cum Remuneration Committee to attract highly qualified executives to join the Shree's Board of Directors and Top Management
- ii. to enable the top management to attract, recruit and retain people at senior level positions in the organization
- iii. to enable the top management working along with senior personnel and Human Resource group of the organization to attract, recruit, motivate and retain the best talent available to join its team
- iv. to create value for all stakeholders in an efficient and responsible manner by accomplishing as above mentioned
- v. the directors, executive and prescribed officers are remunerated fairly and responsibly with the long term interest of the company in mind

vi. An effective remuneration policy is in place, aligned with the company strategy and applied consistently throughout the entity at all employees levels.

#### 3. Scope of the Policy

The policy is applicable for:

(i) appointment and fixing of remuneration for all the Directors as well as Kev Managerial Personnel (KMP) of the Company which includes the Chief Financial Officer and the Company Secretary. It also includes the appointment of other senior management personnel viz. Key Functional incharge like Technical Head, Marketing Head, Power Plant Head, Commercial Head which the Board may decide to appoint and who may report to the top management of the Company. Further, the appointment and remuneration of other employees of the company shall also be guided by this policy although the specific implementation may be undertaken by the respective department responsible for hiring in the Company.

#### (ii) Board of Directors

The Nomination cum Remuneration Committee is responsible to set remuneration policies for members of the Board of Directors of the company. The remuneration for members of the Board shall be based on various factors as below:

Sl.	Factors for deciding Remuneration					
No.	No. Working Directors		n Working			
		Non-Independent	Independent			
1	Qualification, Background and Experience of each individual	Qualification, Background and Experience of each individual				
2	Performance of the company	Performance of the Company				
3	Accolades and Recognition conferred on the individual	Accolades and Recognition conferred on the individual including association with organizations of high repute				
4	Performance of the sector in which the Company operates and overall economy.	Performance of the sector in which the Company operates and overall economy.				
5	Remuneration of peer group	-	-			
6	Responsibility and profile of individual person	-	-			
7	Previous stints, if any	-	-			
8	Remuneration drawn from previous employer	-	-			

The Nomination cum Remuneration Committee may consider any other factor considered relevant by it for deciding on the remuneration of the members of the Board. The remuneration of the Working Directors and Non-Working including Independent Directors may differ in proportion or in the manner of payment depending upon their profile, responsibility,

area of expertise etc. as may be decided by the Board.

#### Components of Remuneration

The remuneration of the members of the Board of Directors consisting of Working, Non-working and Independent Directors shall normally include the following:-

Sl.	Factors for deciding Remuneration				
No.	Working Directors	Non Working			
		Non-Independent	Independent		
1	Fixed remuneration	-	-		
2	Performance based remuneration (if decided by the committee)	-	-		
3	Other perquisites and benefits	-	-		
4	Pension and other retiral schemes	-	-		
5	Commission as decided by the Board within the ceiling specified under the Companies Act, 2013	Commission as decided by the Board within the ceiling specified under the Companies Act, 2013			

Remuneration components may differ for each member depending upon his/her role and responsibility.

#### (iii) Key Managerial Personnel

The remuneration of Key Managerial Personnel and other senior management people for filling higher management positions who shall be reporting to the top management of the company shall consider and be based considering the below factors:-

Sl. No.	Factors for deciding Remuneration
1	Qualification, Background and Experience of each individual
2	Responsibility and profile of individual person
3	Performance of the Company
4	Award and recognition of the individual
5	Performance of the sector in which it operates and overall economy of the country
6	Remuneration of peer group

#### Components of Remuneration

Remuneration components shall differ for each individual depending upon his role and responsibility. The remuneration of the Key Managerial Personnel and other senior management personnel shall normally include the following:-

Sl. No.	Components of Remuneration			
1	Fixed remuneration			
2	Performance based remuneration			
3	Other perquisites and benefits			
4 Pension and other retiral schemes				

#### (iv) Other employees not covered above

The components of remuneration of all the employees of the company other than those specifically covered above shall normally include the following:

Sl. No.	Components of Remuneration			
1	Fixed remuneration			
2	Performance based remuneration			
3 Other perquisites and benefits				
4 Pension and other retiral schemes				

The appointment and details of remuneration of the scope of people covered above shall be broadly based on the factors mentioned above. The actual implementation regarding appointment and remuneration fixing can be taken up by the HR department responsible for hiring in the company.

#### (v) Carrier Growth Plan

Appropriate carrier growth plan shall be devised for all the senior and middle level management employees considering their potential skills, experience etc. with a view to create leadership pool with the Company as well as providing growth opportunities for senior management people.

#### (vi) Advances/Loan to Employees

Company may grant advances/loan to its employees as per its Employees' Loan Policy subject to the compliance of the provisions of the Companies Act, 2013 & Rules made thereunder and further clarifications issued by the Ministry of Corporate Affairs from time to time.

#### (vii) Approval and Disclosure

All approval as required under the Companies Act or any other relevant act or rules from the Shareholders, Governments or any other agency for making the remuneration effective for the covered group shall be obtained by the Secretarial department of the Company. Wherever required under any law, rules or regulation, the details of remuneration of all people covered under this policy shall be disclosed by the Secretarial / Accounts department of the Company.

### **BUSINESS RESPONSIBILITY REPORT**

#### **SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	Corporate Identity Number (CIN) of the Company	L26943	L26943RJ1979PLC001935				
2.	Name of the Company	Shree C	ement Li	mited			
3.	Registered address	Bangur Nagar, Beawar –305901, Distt: Ajmer, Rajasthan					
4.	Website	www.shr	reeceme	nt.com			
5.	E-mail id	shreebw	r@shree	ecement.com			
6.	Financial Year reported	1 <sup>st</sup> April,	2018 to	31 <sup>st</sup> March, 2	019		
7.	Sector(s) that the Company is engaged in	Group	Class	Sub Class	Description		
	(industrial activity code-wise) [Source: National Industrial	239	2394	23941 23942	Manufacture of clinker and cement		
	Classification Code (NIC)]	351	3510	35102 35106	Power generation by thermal power plant and using non-conventional sources		
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Cement– Ordinary Portland Cement, Portland Pozzolana Cement and Portland Slag Cement (ii) Power					
9.	Total number of locations where business activity is undertaken by the Company	a. Number of International Locations (provide details of major 5): Company operates in United Arab Emarites (U.A.E) through its subsidiaries.					
		b. Number of National Locations: Cement plants at 11 locati Registered office, Corporate office & Marketing offices.					
10.	Markets served by the Company	Local	State	National	International		
		✓	✓	✓	✓		

#### **SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up Capital (₹ Crore)	34.84
2.	Total Turnover (₹ Crore)	11,722.00
3.	Total profit after taxes (₹ Crore)	951.05
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.73% of average net profit of last three financial years computed as per Section 198 of the Companies Act, 2013 (CSR Spent is ₹31.32 Crore)
5.	List of activities in which expenditure in 4 above has been incurred	<ul> <li>(a) Literacy and Education for the Community</li> <li>(b) Livelihood, Income Generation and Support to farmers</li> <li>(c) Healthcare programs and arranging safe drinking water</li> <li>(d) Women Empowerment and Skill development</li> <li>(e) Helping old age people, needy and orphans</li> <li>(f) Community Infrastructure and Rural Development</li> <li>(g) Promotion of art and culture</li> <li>(h) Measures for the benefit of war widows and their dependents</li> <li>(i) Promotion of sports</li> <li>(j) Environment Sustainability and conservation of natural resources</li> </ul>

#### **SECTION C: OTHER DETAILS**

- 1. Does the Company have any Subsidiary Company/ Companies?
  - Yes. As on 31<sup>st</sup> March, 2019; Company had 2 direct subsidiaries 1 (one) domestic and 1 (one) foreign. This apart, there are 4 (four) more foreign step-down subsidiaries of the Company.
- 2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).
  - None of the direct subsidiaries has material business operations. Out of four foreign step-down subsidiaries, one subsidiary has material business operations in United Arab Emirates where it contributes to various CSR activities as per local needs. Accordingly, the subsidiaries do not participate in the BR initiatives of the parent Company.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
  - Other entities do participate but their participation in the Company cannot be measured and expressed in terms of percentage.

#### **SECTION D: BR INFORMATION**

#### 1. Details of Director/Directors responsible for BR

a) Details of Director responsible for implementation of BR policy/policies

**1. DIN:** 08189579

Name: Shri P. N. Chhangani
 Designation: Whole Time Director

#### b) Details of the BR head

Sl. No.	Particulars	Details
1.	DIN (if applicable)	N.A.
2.	Name	Shri S. S. Khandelwal
3.	Designation	Company Secretary
4.	Telephone number	+91-1462-228101-6
5.	e-mailid	khandelwalss@shreecement.com

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

#### (a) Details of compliances (Reply in Y/N)

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs have identified nine areas of Business Responsibility which have been coined in the form of nine business principles. These principles are as under –

- P-1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- **P–2** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- **P-3** Businesses should promote the well-being of all employees.
- **P-4** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- **P-5** Businesses should respect and promote human rights.
- P-6 Businesses should respect, protect, and make efforts to restore the environment.
- P-7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P-8 Businesses should support inclusive growth and equitable development.
- P-9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No.	Questions	Ethics, Transparency and Accountability	Product Responsibility	சு Employees' Well-being	Stakeholder Engagement	ក Human Rights	6 Environment	Policy Advocacy	Inclusive Growth (CSR)	Customers' G Relations
1	Do you have a policy/ policies on the BR principles?	Υ	Y	Υ	Y	Υ	Υ	Y	Υ	Υ
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Υ	Y	Υ	Y	Υ
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Compani Internati 1. IS 180 2. ISO 90 3. ISO 14 4. OHSA 5. ISO 50	onal Or 001:200 001:201 4001:20 S 1800	ganizati 7 for Ol 5 for qu 15 for 6	ion for S HS (Bure uality m environr cupation	standardeau of II anagem ment m nal Hea	dization ndian St nent sys anagem lth and	(ISO). T candard ctems. nent sys	hese ar , Govt. o	

Sl. No.	Questions	Ethics, Transparency and Accountability	Product Responsibility	Employees' Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth (CSR)	Customers' Relations
		P1	P2	Р3	P4	P5	P6	P7	Р8	P9
		Apart fr are:	om thes	se, other	r standa	ırds whi	ch Com	pany is (	complyi	ng with
		1. Inter	national	l Labour	· Organi	sation (	ILO) Gui	delines.		
		2. UN (	Global		ct and	Interna	ational	Finance		oration
		3. Natio Affair busin	s for S							rporate pility of
		4. Globa	al Repor	ting Init	tiative G	RI stan	dards.			
		All polic with the the gene	se stan	idards. (	Other tl	nan the	se, our	policies	are ba	
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Yes. The Response response adopted Governa Compain implements.	ibility (( ible for by the nce (ES ny, wh	CSBR) C overs Compa G) Com ich ca	committ eeing i ny. Ther mittee c rries c	ee cons mpleme re is als consistin	sisting of entation so an Er ng of Se ntinuo	of 5 dire n of va nvironm enior Ex us mo	ectors warious pent Societies	which is policies and sof the
6	Indicate the link for the policy to be viewed online?	https://v	www.shr	eeceme	ent.com,	/pages/	policies	.php		
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Commu policies informat commur magazin Corpora stakehol	s have tion of a nication es, etc te Sus	been llstakeh means are u	posted olders. such a sed. Als	on th Forinte is notic so these	ie Com rnalsta e board e are d	npany's keholde ds, placa covered	websi rs, appr ards, co in Con	ite for opriate ompany opany's
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	As part of an exterion an argumental standard Corpora with polito variou complia	nal ager nnual ba king reg ds. An é te Susta cies and us envir nces ai	ncy evaluasis. Apa gular au external ginability d frame conment	Jates the art from dit/revie consult Report works a tal and	e impler n this, C ew of th tant als (which dopted social ii	mentation  ompany  ne imploid  o gives  interalia  by the (  ndicator	on of the also has an ass contain compan confir	e ISO sta as a sys tion of urance ns comp y) with ming th	indards stem of various on our oliances respect nat our

(b) If answer to question at serial number 1 against any principle, is 'No', please explain	why: (Tick up to
2 options)	

Sl. No.	Questions	Ethics, Transparency and Accountability	Product Responsibility	Employees' Well-being	Stakeholder A Engagement	Human Rights	ы Environment	Dolicy Advocacy	Inclusive Growth (CSR)	Customers'  Relations
1.	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

#### 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Corporate Social and Business Responsibility Committee of the Board annually reviews and assesses the BR performance of the Company.

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

Company publishes Corporate Sustainability Report on annual basis which is GRI G4 compliant and assured by an independent certifying agency. Hyperlink to view reports published by the Company is https://www.shreecement.com/pages/csr.php.

#### **SECTION E: PRINCIPLE-WISE PERFORMANCE**

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

 Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others? The policy relating to ethics, bribery and corruption is inclusive in code of conduct which is to be followed by all the employees and Directors of the Company. The said policy is being considered for implementation at the foreign material subsidiary of the Company. However, the Company as far as possible encourages all the associated parties including vendors, suppliers and contractors to follow the principles envisaged in the policy.

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

There were 8 complaints received from the investors during the period 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019. All these complaints were properly attended and necessary actions were taken. Proper investigation was carried out in respect of complaints which were received as part of vigil mechanism.

PRINCIPLE - 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

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

Company has two lines of business viz. manufacturing of cement and generation of power.

For both these verticals, it has deployed best-inclass technology and processes which use resources optimally and leave minimal footprints. This apart, Company's efforts in addressing environmental concerns in manufacturing of cement include the following: -

- Utilizing fly-ash and other alternate materials in cement manufacturing to substitute natural resources.
- Implementation of Waste Heat Recovery Plants to cut on carbon emission, save water and fossil fuels in power generation.
- Implementation of Ambient Air Quality Monitoring System (AAQMS) and Continuous Emission Monitoring System (CEMS) for better emission monitoring.
- Installation of De NO<sub>x</sub> system for the control of NO<sub>x</sub> emissions.
- Installation/up-gradation of bag filters at various locations for further emission reduction.

Similar efforts made in the area of power generation are as under: -

- Installation of Air Cooled Condensers (ACC) in place of Water Cooled Condensers (WCC) in all power plants including 300 MW power plant to conserve water.
- Installation of wind power plants of 21 MW for increasing share of renewable energy.
- Continual improvement in efficiency to bring down station heat rate & auxiliary consumption in the power plant.
- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):
  - i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Resources	Units of	Per unit co	onsumption
	measurement	2018-19	2017-18
Electricity	Kwh/ton of cement	69.05	68.67
Fuel	Kcal/kg of clinker	719	728

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

The data regarding reduction during usage by consumers (energy, water) is not available with the Company.

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

Company's sourcing practices are targeted to achieve cost optimization, ensuring environment sustainability, societal interest and resource efficiency. The criteria used for selection of suppliers/ vendors go beyond cost relevance and include resource efficiency, product quality, life cycle, environment impact, etc. Limestone being main raw material required in production of cement is captively extracted by the Company from its limestone mines using latest mining techniques for cost optimization and waste reduction. For other materials and items, Company gives preference to vendors which comply with the various principles of sustainability. At the time of award of contract to vendors, various clauses are incorporated in the contract document related to health and safety, human resource practices, work environment, etc. Engagement of transporters is done based on conditions like young vehicles, need for drivers to carry pollution certificates, drivers and support staff to always carry safety aprons, helmets, driving license, etc. This apart, Company continuously strives for load and route optimization to ensure fuel and environmental efficiency of the fleets.

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

Company accords priority to local suppliers in procurement of stores and spares and other consumables. Company takes steps for capacity building of local and small vendors. Company's contractors who supply labour services for plant operations employ workmen from nearby communities. This workforce is educated and provided training on occupational health and safety aspects.

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

Company's products i.e., cement and power are not meant for recycling as cement is used in building and construction which typically have high life span and power is consumed immediately. Flyash, a solid waste, generated from power plant operation is utilized in Portland Pozzolane Cement (PPC) production. Used oil is only the hazardous waste being generated which entirely co-

processed in the cement operations itself. Other non-hazardous wastes are sold to recyclers. The domestic waste water generated is 100% recycled through Sewage Treatment Plants. Company utilizes waste of other industries in the form of Alternative Fuels and Raw Materials (AFR) in cement production process which ultimately provides feasible solution to industrial waste disposal.

### PRINCIPLE - 3: Businesses should promote the well-being of all employees.

1. Please indicate the total number of employees.

The total number of employees as on 31<sup>st</sup> March, 2019 was 6,299.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

Total temporary/Contractual/Casual employees including retainers were 12,056 as on 31<sup>st</sup> March, 2019.

3. Please indicate the number of permanent women employees.

There were 29 permanent women employees as on 31<sup>st</sup> March, 2019.

4. Please indicate the number of permanent employees with disabilities.

There were 6 permanent employees with disabilities as on 31<sup>st</sup> March, 2019.

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

Yes, the Company has recognized trade unions affiliated to various trade union bodies.

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

6.19% of total permanent employees are members of above trade unions.

 Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sl. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

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

Type of employee	Total (No. as on 31 <sup>st</sup> March, 2019)	Training imparted to number of persons during the year	% Training
Permanent Employees	6,299	4,682	74%
Permanent Women Employees	29	17	59%
Casual/Temporary/ Contractual Employees*	12,056	10,971	91%
Employees with Disabilities	6	6	100%

<sup>\*</sup>includes employees hired through contractors. Casual/ Contractual employees were covered under safety & compliance training

Company provides equal opportunity to all irrespective of gender, religion, caste, colour and does not discriminate based on any other factor.

PRINCIPLE - 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

 Has the Company mapped its internal and external stakeholders? Yes/No

Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Company considers people from low strata of the local communities around its manufacturing units and its contractors/ workers as disadvantaged, vulnerable and marginalized stakeholders of the Company.

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

The Company for the betterment of its disadvantaged, vulnerable and marginalized stakeholders have taken initiatives in the areas of Corporate Social Responsibility that are mainly targeted to bring meaningful difference in their lives by facilitating healthcare, education and infrastructure support for integrated and sustainable rural development and by providing access to proper sanitation and safe drinking water. Several initiatives towards creation of sustainable livelihood, women empowerment, etc. have also been taken by the Company during the year. Company engages with local community to ascertain

their needs for planning, coordinating and routine monitoring of its CSR activities and programs.

PRINCIPLE - 5: Businesses should respect and promote human rights.

 Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/Others?

The policy on human rights covers the Company only. There is no group structure or joint venture of the Company. The said policy is being considered for implementation at the foreign material subsidiary of the Company. Further Company encourages parties associated with its value chain like vendors, suppliers, contractors, etc. to follow the principles envisaged in the policy.

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

Company did not receive any stakeholder complaint in FY 2018-19 relating to human rights.

PRINCIPLE - 6: Businesses should respect, protect, and make efforts to restore the environment.

 Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The policy on environment is applicable and admissible within the Company to the maximum extent possible. The said policy is being considered for implementation at the foreign material subsidiary of the Company. The Company encourages the parties associated with it to follow the governing principles of this policy for the protection and restoration of environment.

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

Yes. Company's initiatives such as installation of Waste Heat Recovery Plants, wind power plants, Air Cooled Condensers in power plant, synthetic gypsum plant, energy conservation and efficiency measures, etc. are aimed to address global warming and climate change issues. This apart, Company is a member of various global forums which enables it to benchmark its practices with the international standards and provides platform to participate in global environmental initiatives. The details are available in the Corporate Sustainability Report for which the weblink is https://www.shreecement.com/pages/csr.php.

Does the Company identify and assess potential environmental risks? Y/N

Yes. Company has risk management mechanism in place to identify and assess existing and potential risks across its operations.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Company was the 1st cement company in India to register its project 'Optimum Utilization of Clinker' with the United Nations Framework Convention on Climate Change (UNFCCC) under the Clean Development Mechanism (CDM) wherein it was granted 4,50,000 units of Certified Emission Reductions (CERs) by UNFCCC for the above project. Company has another project on Waste Heat Recovery based power generation at Ras, Rajasthan registered with UNFCCC. Recently applications have been filed for registration of 21 MW Wind Power Plant of the Company under Gold Standard.

There is no requirement of filing environment compliance report. A validation and verification report is required to be submitted and the same has been filed, wherever required.

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

Yes. Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. Details of these initiatives are covered in the Corporate Sustainability Report issued by the Company every year. The weblink for the above reports is https://www.shreecement.com/pages/csr.php.

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

Emissions/ wastes generated by the Company were within the permissible limits set by CPCB/ SPCB for the relevant financial year. The Company ensures submission of report on the emission levels to CPCB/ SPCB at regular intervals.

 Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No such cases pending at the end of financial year 2018-19.

# PRINCIPLE - 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

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

The Company is member of following trade chambers, associations and forums which makes effort towards climate change, global warming and sustainable business development—

- a. Cement Manufacturers' Association (CMA)
- b. The Energy and Resource Institute (TERI)
- c. Bureau of Energy Efficiency (BEE)
- d. Global Reporting Initiative (GRI)
- e. Confederation of Indian Industries (CII)
- Federation of Indian Chamber of Commerce and Industry (FICCI)
- g. National Council for Cement and Building Materials (NCCBM).
- Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the Company has utilized these forums to advocate framing policies towards advancement of public good. Some of them are as below:

- a. Promoting concreted cemented roads through CMA which are beneficial, eco-friendly & cheaper than the conventional tar roads in long term.
- b. Recommendation for increased use of fly-ash in cement manufacturing.
- c. Promoting installation of waste heat recovery plants in cement plants which capture hot gases to generate power without using any fossil fuel.
- d. Associated with National Council for Cement and Building Materials (NCCBM) in its Research Advisory Committee contributing in research and development of building materials.
- e. Provided inputs to Bureau of Energy Efficiency (BEE) for Perform, Achieve and Trade (PAT) cycles.

### PRINCIPLE - 8: Businesses should support inclusive growth and equitable development.

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

Yes, the Company considers social development as an important aspect of its operations. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. A Board constituted committee oversees the implementation of various

activities and programs of the Company. The details of various CSR initiatives of the Company are given below: -

#### Literacy and Education for the Community

- In order to improve the quality of education in nearby areas, Company equipped and supported government schools with basic infrastructure like seating arrangements, water & sanitation facilities, furniture, stools, tables & other facilities and supplemented efforts of the State Govt. to provide basic education to rural communities. Further additional teachers on honorarium basis have been appointed in Government schools nearby to plant areas. To promote computer literacy among rural people, Company has established computer literacy centres and conducted computer literacy programmes. It has collaborated with NIIT foundation through which structured course material, assessment and certificates to student are provided by trainers in the training centres.
- Company, under its 'Shree Ki Pathshala' project, is running centres for imparting basic education to girls aged between 9-16 years who never attended any school or are drop outs. Further tuition classes are arranged after school hours for students appearing for 10<sup>th</sup> Board exams. Through its dedicated programs, Company provided support to needy students through scholarships and financial assistance for undertaking further/ higher studies. For promoting better and quality pre-school education, Company has adopted Anganwadi centres of nearby villages and supported them by supplying items as per their needs like learning & stationary materials, dresses, sweaters and other pre-educational materials and projected them as 'model centres'.
- With the support of Company's financial assistance for construction of girls' hostel in MBM Engineering College, Jodhpur; during the year, hostel building was completed and inaugurated. This hostel facility would encourage girls of nearby areas to pursue higher technical education. In another initiative, Company made financial contribution to an NGO for running day-care centre for Autistic children in Kolkata. This centre is being run by trained professionals who are Board Certified Behavior Analysis, USA (BCBA) certified having experience in language therapy, occupational therapy, speech therapy for Autistic children.

### Livelihood, Income Generation and Support to farmers

 To the farmers of nearby communities, Company provides training and conducts live demonstration of new farming techniques so as to improve their farming productivity. Exposure visits to nearby Krishi Vigyan Kendra are also organized for improving their knowledge base. They are also sensitized about various government schemes e.g.

crop insurance, irrigation, etc. and trained to take proper action in the event of extreme weather conditions, insects' attacks, etc. on crops. Company also provided agriculture tools (like sprayer machine, sprinkler sets, HDPE pipes) to farmers and distributed high quality seeds at subsidized rates for improved yield. For livestock management, Company organizes vaccination camps in coordination with nearby veterinary hospital. To improve their productivity, it provides fodder seeds to farmers for cultivation and ensuring availability of green fodder for cattle throughout the year. It has given financial assistance for construction of feed manager (chara kheli) in individual households to minimize wastage of fodder during cattle feeding.

Company is imparting training to masons to upgrade their professional knowledge about the construction methods and techniques. It gives them an opportunity to learn about the methods of environment friendly usage of cement and other building materials and acquire information about latest construction techniques to improve their overall competence. This apart, Company also organizes visits of its technical teams comprising of civil engineers at consumers' site to create awareness about good construction practices among consumers in using cement in the most efficient manner for extracting maximum benefits and construct long lasting and sustainable structures.

#### Healthcare programs and arranging safe drinking water

- Company's 24X7 Health Management Centres (HMC) provide primary healthcare services to local communities. These centres are equipped with all facilities to meet primary and emergency medical needs of these communities. Besides these centres, Company organizes health camps in the nearby villages to cover patients from different specialties like Pediatric, Gynecology and General Medicines. From mobile health care units of the Company, on-the-spot medical services are provided to patients in extreme interiors where medical facilities are not available.
- In 'Mamta Project', Company organizes health camps and arranges doctors' visits in the nearby villages for medical check-up of pregnant women and new-born children. To promote institutional delivery cases of pregnant women in nearby villages, Company has appointed volunteers (Sakhis) to act as health educators and counselors.
- To increase awareness about personal hygiene in daily life, Company has undertaken Swachhta Project wherein initiative like organizing awareness campaigns, distribution of dustbins, slogan writing on walls, schools rallies, celebration of cleanliness weeks, distribution of materials like calendars, diaries having messages about

sanitation and hygiene are taken. In order to provide drinking water facility to local villagers, Company constructed public water huts, water tanks, laid underground pipelines, installed hand pumps and supplied RO water through tankers in nearby villages.

Company made contribution to Chief Minister's Distress Relief Fund for persons affected by devastating floods in Kerala.

#### Women Empowerment and Skill development

- Under 'Shree Shakti Project', Company promotes formation of Self-help groups (SHGs) of local rural women to help inculcating a habit of saving and creating corpus. Members of these groups with own corpus and financial assistance from lending institutions undertake entrepreneur assignments. For skill development of rural women, Company conducted various training programmes on sewing and cutting, bag making, food processing, beauty parlor, etc.
- In order to reduce girl infant mortality, Company under its 'Save the Girl Child Campaign' provided help in the form of a fixed deposit of  $\stackrel{?}{ ext{<}}$  5,000 at the time of birth of girl child which is available to her after attaining 18 years of age. Company provides basic essential items (like utensil set, sewing machine, bed, cooking stove, cooker, wedding attires, etc.) on the occasion of marriage of girl of marginalised families after attending the age of 18 years.

#### Helping old age people, needy and orphans

- Company is supporting project 'Pronam' for the elderly people of Kolkata under which medical services like ambulance, health check-ups, camps, etc. are provided. This project also provides safety and security services to these people in coordination with Kolkata Police including legal help wherever necessary.
- Company, on various religious and social occasions also as and when need arises, undertakes distribution of food, clothes, shoes, winter wears, medicine, etc. to people living in old age homes, orphan and needy to meet their daily essential requirements.

#### Community Infrastructure and Rural Development

- Company regularly undertakes infrastructure and construction projects in the nearby community to improve infrastructural facilities, improving accessibility of services and proper utilization of resources for increasing living standards of people in these communities.
- In order to remove bottleneck of road connectivity in rural areas, Company has undertaken construction and repairing work of the roads in villages nearby to its plants. Company undertakes civil works in these areas to systematically

improve infrastructure base. Such work includes construction/ repair of public institutions, renovation of old buildings and community centres, construction of stages, boundary wall, stay rooms, waiting stands, etc. which are commonly used by the communities at large.

#### Promotion of art and culture

- To preserve and nurture Indian tradition and culture, Company promotes traditional Indian art by organizing tableau (Jhankis) on the occasion of the anniversary of Lord Hanuman temple at Beawar. The tableaus also convey environmental and social messages like save water, conserve resources, save and educate girl child, etc.
- It sponsors and supports events that promote literature, music, poetry, folk, art, etc. and encourages artists, writers, musicians, etc. to showcase their talent. It also provides financial contribution and support for organizing various social and cultural events by nearby communities which help conservation of their ancient tradition and practices and creates a social harmony.

### Measures for the benefit of war widows and their dependents

Company stood with the nation to condemn the barbaric attack on convoy carrying CRPF soldiers in Pulwama, J&K in February-2019. To support families and their dependents, Company provided financial assistance of  $\ref{totaleq}$  5 lac per family to five solders martyred in the said attack belonging to Rajasthan.

#### **Promotion of sports**

To inculcate sporting habit and promote sports in general, the Company provides contribution and sponsorship for organising various sporting events, activities, tournaments in schools and nearby areas. This apart, it also provides financial aid/arranges sports equipment for needy people of nearby communities.

### Environment Sustainability and conservation of natural resources

- farmers of nearby villages for plantation to cover the open areas and development of green belt. Further, Company conducts school plantation programmes wherein it encourages students to plant trees. In the state of Chhattisgarh, the Company has undertaken mass tree plantation drive roping 12,000 plants in four villages of Baloda Bazar District to enhance the green cover in the area. This apart, Company carried out maintenance and nurturing activities of around 25,000 plants roped in previous year to ensure their survival and growth.
- During the year, Company continued its

support to Mukhya Mantri Jal Swavlamban Abhiyan launched by Government of Rajasthan in the state with the vision to ensure effective implementation of water harvesting and water conservation related activities in the rural areas. Under Phase III of the said mission, Company undertook construction of SGT (Staggered Contour Trenches), CCT (Continuous Contour Trenches), Deep CCT & MPT (Mini Percolation Tank) in nearby areas of its plant.

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

The projects are undertaken by both the internal teams, company established trust as well as through/in-coordination with external agencies like NGOs, trusts and government institutions.

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

Impact assessment is conducted on regular basis in the nearby villages. Based on these impact assessments, Company decides upon appropriate intervention to be undertaken.

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

Company has spent an amount of ₹ 31.32 crore on various CSR activities during year 2018-19. The details of the amount incurred and areas covered are given in question 1 above and Annual Report on Corporate Social Responsibility Activities i.e. Annexure-2 to the Board's Report.

 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. Company has a process of engaging with local community to understand their concern. CSR interventions are carried out on a 'need based approach' which are developed after consultations with the local community to ensure that the activities are adopted by them.

PRINCIPLE - 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

Company regularly conducts meetings with customers to educate, appraise and understand their concerns. All the concerns are taken up and resolved immediately to the satisfaction of the consumer.

- Despite that, there were 16 consumers cases filed against the Company which were pending as on 31<sup>st</sup> March, 2019.
- Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks(additional information)

Company displays all information as mandated by the regulations to ensure full compliance with relevant laws.

- Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.
  - i) Competition Commission of India (CCI) vide its order dated 31<sup>st</sup> August, 2016 for alleged violation of provisions of the Competition Act imposed a penalty of ₹ 397.51 Crore on the Company which was challenged by the Company in Competition Appellate Tribunal (now National Company Law Appellate Tribunal) (the 'Tribunal'). Based on submissions made by the Company, the Tribunal,

- by its order dated 7<sup>th</sup> November, 2016, stayed the operation of the order passed by CCI subject to deposit of 10 percent penalty amount in form of fixed deposit. The Company has complied with the conditions of the above order for stay and the appeal is now before the Tribunal.
- ii) In another matter, CCI had vide its order dated 19<sup>th</sup> January, 2017 imposed a penalty of ₹ 18.44 Crore on the Company in connection with a reference filed by the Government of Haryana in respect of tender invited by Director Supplies & Disposals, Haryana, for supply of cement. Company has filed an appeal in the Tribunal against the above order which has been stayed and the same is now before the Tribunal.
- 4. Did your Company carry out any consumer survey/ satisfaction trends?

Consumer satisfaction survey is carried out every year to gauge consumer sentiments and the Company provides adequate grievance handling mechanism to address customer concerns and feedback, which further ensures appropriate measures or improvisations to increase customer satisfaction.

### REPORT ON CORPORATE GOVERNANCE

#### **Corporate Governance Philosophy**

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders to maximise stakeholders' value. The Company has always conducted itself by adhering to the core values of transparency, accountability and integrity in all its business practices and management. The Company believes that a business can be successful if it is ethical and meets the aspirations of all its stakeholders which include shareholders, employees, suppliers, customers, investors, communities or policy makers.

Over the years, we have strengthened relationships with our stakeholders in a manner that is dignified, distinctive and responsible. We continue to review and benchmark the corporate governance practices of the Company against best practices. These practices being followed since inception have contributed to the Company's sustained growth. The Company believes in carrying out its operations in a sustainable manner with minimal carbon footprints and optimal utilization of natural resources. The Board is collectively responsible to ensure that processes are structured to direct the Company's actions, assets and agents to achieve the aim of maximization of stakeholders' value.

#### **Board of Directors**

#### **Composition & Board Diversity**

The Board of Directors ('the Board') comprises of appropriate mix of Executive, Non-Executive and Independent Directors as required under the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ('Listing Regulations') to maintain the independence of the Board and also to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. The Board consists of eleven members, three of whom are Executive Directors, one Non-Executive (Non-Independent) Director (Chairman) and seven Independent Directors including one Women Director. The members of the Board are from diverse background having expertise in the fields of law, banking, economics, sustainability, energy conservation, finance & taxation, etc.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby, enhancing stakeholders' value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board also plays a crucial role in overseeing how the management serves the short and long term interests of stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and Independent Board. For Directors' Profile, please refer the 'Profile of Directors' section in the Annual Report.

### Skills/Expertise/Competence of the Board of Directors

Core skills / expertise / competence required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

Sl. No.	Skills / Expertise / Competence required by the Board of Directors						
1	Understanding of Business/Industry	Experience and knowledge of business related issues in general and those of Cement business in particular	✓				
2	Strategy and strategic planning	Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities.	✓				
3	Critical and innovative thoughts	The ability to analyse the information and share innovative approaches and solutions to the problems.	✓				
4	Financial Understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	✓				
5	Market Understanding	Understanding of the Cement Market dynamics.	✓				
6	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliances, and monitor risk and compliance management frameworks.	✓				

#### Selection, Appointment and Tenure of Director

As per the Remuneration Policy, the Nomination cum Remuneration Committee facilitates the Board in identification and selection of the Directors carrying high integrity, relevant expertise and experience so as to have well diverse Board.

The Directors including the Independent Directors are appointed or re-appointed with the approval of the shareholders in accordance with the provisions of the law. Further, in terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members is taken by way of Special Resolution for continuation of Non-executive Directors who attain the age of 75 years post 31<sup>st</sup> March, 2019.

The Working Directors are normally appointed for a term of five years. Except the Independent Directors, all other Directors including Non-Executive Directors are liable to retire by rotation and are eligible for re-appointment, unless otherwise specifically provided under the Articles of Association or under any statute.

As required under Regulation 46(2)(b) of the Listing Regulations and Para IV of Schedule IV of the Act, the Company issues formal letter of appointment to the Independent Directors. The specimen thereof has been posted on the website of the Company in terms of the said provisions and can be accessed on the website of the Company at link https://www.shreecement.com/ pdf/appointment\_letter\_of\_independent\_directors.pdf.

#### **Category and Attendance of Directors**

The names and categories of Directors, their attendance at the Board Meetings held during the year 2018-19 and at the last Annual General Meeting, and also the number of Directorships held by them in other Companies, Committee Membership / Chairmanship held by them, Directorship held in other listed entities and category of directorship are aiven below:-

Name of Director	Cateo	gory	Attendance at AGM held on 30 <sup>th</sup> July, 2018	No. of Board Meetings attended during 2018-19	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at 31 <sup>st</sup> March, 2019	Directorship in other listed entities & Category of Directorship
Shri B.G. Bangur		Chairman (Non- Executive)	YES	4	1	-	-	10,221	NIL
Shri H.M. Bangur	Promoter Directors	Managing Director	YES	4	-	-	-	4,82,063*	NIL
Shri Prashant Bangur		Joint Managing Director	YES	4	3	-	-	3,89,750*	NIL
Shri P.N. Chhangani <sup>s</sup>	Professional Director	Whole-Time Director	NO	2	-	-	-	-	NIL
Shri O.P. Setia	Independer	nt Director	YES	4	-	-	-	-	NIL
Shri R. L. Gaggar	Independer		YES	4	8	6	-	-	1. Duroply Industries Limited (formerly known as Sarda Plywood Industries Limited] (Independent Director) 2. TIL Limited (Independent Director) 3. International Combustion (India) Limited (Independent Director) 4. Sumedha Fiscal Services Limited (Independent Director)
Shri Shreekant Somany	Independe	nt Director	NO	3	7	3	-	-	Somany Ceramics     Limited (Chairman &     Managing Director)     JK Tyre & Industries     Limited     (Independent     Director)
Dr. Y.K. Alagh	Independer	nt Director	YES	4	1	-	-	-	NIL
Shri Nitin Desai	Independer	nt Director	YES	4	1	-	-	-	NIL

Name of Director	Category	Attendance at AGM held on 30 <sup>th</sup> July, 2018	No. of Board Meetings attended during 2018-19	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at 31st March, 2019	Directorship in other listed entities & Category of Directorship
Dr. Leena Srivastava	Independent Director	YES	4	1	-	-	-	Bharti Infratel Limited (Independent Director)
Shri Sanjiv Krishnaji Shelgikar	Independent Director	YES	4	11	-	-	-	NIL
Shri Ramakant Sharma#	Non-Executive Director	YES	2	-	-	-	-	NIL

<sup>\*(</sup>i): Out of the 4,82,063 shares held by Shri H. M. Bangur, the beneficial Interest on 14,100 shares is held by the following Trusts/institutions (Belonging to Promoters Group):

- Benugopal Bangur Family Trust (Private Trust): 4,000 shares
- Sunder Devi Bangur Family Benefit Trust (Private Trust): 3,000 shares
- Sri Rama Nidhi (Family Deity): 7,100 shares

\$Appointed w.e.f. 30<sup>th</sup> July, 2018 #Ceased w.e.f. 4<sup>th</sup> August, 2018

- 1. The directorships held by Directors as mentioned above, do not include directorships in foreign companies.
- 2. In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairpersonship of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding Shree Cement Ltd.) have been considered.
- 3. Shri H. M. Bangur is son of Shri B. G. Bangur and father of Shri Prashant Bangur. Shri Prashant Bangur is son of Shri H. M. Bangur and grandson of Shri B. G. Bangur. Except this, there are no inter-se relationships among other Directors.

Four meetings of the Board of the Company were held during financial year 2018-19 i.e. on 28th April, 2018, 30th July, 2018, 12<sup>th</sup> November, 2018 and 22<sup>nd</sup> January, 2019. The gap between any two meetings did not exceed 120 days.

#### **Board Procedures**

The Board of Directors of the Company acts in the capacity of 'management trustee', being responsible for managing the affairs of the Company on behalf of the shareholders. Therefore, it is absolutely necessary to ensure complete transparency and foresightedness in the decision-making process. The Board takes decision based on detailed discussions and deliberations. The members of the Board have complete independence to raise any issue/matter for discussion.

Meetings of the Board are governed by a structured agenda. Agenda of meeting is circulated to the Board Members well in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. To supplement this, it is ensured that Board Members are presented with all the relevant information, in addition to the agenda of the meeting, for review on vital matters affecting the working of the Company including the minimum information to be placed before the Board as inter-alia specified under Regulation 17(7) of the Listing Regulations.

#### **Board Independence**

Seven Directors out of eleven Directors of the Company are

independent Directors as per the criteria specified in the Listing Regulations and the Act. All Independent Directors make annual disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving sitting fee and commission as an Independent Director. Further, no Independent Director has resigned before the expiry of the tenure during the year. In opinion of the Board of Director of the Company, the Independent Directors fulfill the conditions specified in Listing Regulations and are Independent of the Management.

#### Separate Meeting of Independent Directors

The Independent Directors of the Board met, without the presence of any Non-Independent Director and/or Management Representative, on 22<sup>nd</sup> January, 2019 at Kolkata to inter-alia discuss the following:-

- Review of performance of Non-Independent Directors;
- Review of performance of Board as a Whole;
- Review of Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Review of the quality, quantity and timeliness of flow of

<sup>(</sup>ii): Out of the 3,89,750 shares held by Shri Prashant Bangur, the beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group)

information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors were assisted by an independent external facilitator. The outcome of the meeting was apprised to the Chairman of the Company.

#### Induction and Familiarization Programme for **Independent Directors**

A detailed presentation is provided to the Independent Directors of the Company at the time of their appointment, which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organisation structure, products, etc. The said presentation is also provided to existing Independent Directors every vear.

As part of Board discussions, presentation on performance of the Company is made to the Board during its meeting(s). Plant visits are also arranged for Independent Directors from time-to-time for better understanding of the Company's operations. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed on the website of the Company at link https:// www.shreecement.com/pages/shareholders\_information. php.

#### **Governance Structure**

The Company has put in place a governance structure with defined roles and responsibilities of every constituent of the system. The shareholders of the Company appoint the Directors who act as trustees towards the stakeholders of the Company. The Board of Directors discharges its responsibilities in an effective manner with the help of various Board Committees and the Management of the Company. The Company Secretary acts as Secretary to all Committees of the Board. The Chairman of the Company is responsible for fostering a culture which enables the Board to carry out its functions in a harmonious manner and ensure that the Board provides effective governance and guidance to the Company. The Chairman presides at meetings of the Board and also of the Shareholders of the Company. The Managing Director is responsible for overall management of the Company and provides strategic direction for business strategies, growth and expansion of business along-with taking all other policy decisions having significant business and financial implications. The Joint Managing Director is also involved in the management of the Company including executing all strategic and policy decisions and providing critical insights and directions in the operational and management decisions of the Company. The Whole Time Director and other Senior Executives of the Company executes the day-to-day operational matters under the overall guidance and supervision of the Managing Director and the Joint

Managing Director thereby, strengthening the effectiveness of control in managing the affairs of the Company.

#### **Board Committees**

The Board has constituted the following Committees of Directors to look into and monitor the matters falling within their terms of reference:

#### A. Audit and Risk Management Committee

#### A.1. Terms of Reference

The Audit and Risk Management Committee ('Committee') reviews the matters falling in its terms of reference and addresses larger issues that could be of vital concerns to the Company. The Committee constituted by the Board in terms of Section 177 of the Act and Listing Regulations meets the requirement of the said section as well as of the Listing Regulations.

The terms of reference of the Committee broadly includes matters pertaining to review of financial reporting process, adequacy of internal control systems, discussion of financial results, interaction with Auditors, appointment and remuneration of Auditors, adequacy of disclosures, Risk Management framework and other relevant matters. In particular, these include: -

- Review the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Director's Responsibility Statement of the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s), if any, in the draft audit report;

- Review the quarterly financial statements before submission to the Board for approval;
- Reviewing the financial statements of subsidiaries in particular, the investments made by the unlisted subsidiaries of the Company, if any;
- Oversight Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible:
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing and monitoring the Auditor's independence & performance and effectiveness of audit process;
- Approval (including omnibus approval) or any subsequent modification of transactions with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review the utilization of loans and/ or advances /investment made in the subsidiary Company(ies) exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into

- matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism:
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate:
- Review the management discussion and analysis of financial condition and results of operations;
- Review the management letters / letters issued by the statutory auditors and internal audit reports on internal control weaknesses;
- Review of the appointment, removal and terms of remuneration of the chief internal auditor of the Company;
- Formulating and recommending the Risk Management Policy Procedure and Plans to the Board and review and evaluation of the Risk Management System;
- To monitor and review issues / risks related to Cyber Security of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the Audit and Risk Management Committee.

#### A.2. Composition, meetings and attendance

All members of the Committee are financially literate, with Shri O. P. Setia, Chairman of the Committee, having the relevant accounting and financial management expertise. During the year under review, the Committee met four times i.e. on 28<sup>th</sup> April, 2018, 30<sup>th</sup> July, 2018, 12<sup>th</sup> November, 2018 and 22<sup>nd</sup> January, 2019. The maximum gap between any two meetings was not more than four months.

Name of Member	Category	Expertise of the Member	No. of Meetings Attended
Shri O. P. Setia - Chairman	Independent & Non-Executive Director	The Chairman is Master of Commerce & Ex-Managing Director of State Bank of India and has held many key positions in its associate banks. He possesses the requisite accounting and financial management expertise.	4
Shri R. L. Gaggar	Independent & Non-Executive Director	Member is a renowned Solicitor and Advocate based at Kolkata. He is practicing at the High Court of Kolkata for over 50 years. He has good accounting and financial management knowledge.	
Dr. Y. K. Alagh	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge.	
Shri Nitin Desai	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge.	
Shri Shreekant Somany	Independent & Non-Executive Director		
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	Member is a veteran Chartered Accountant and possesses the requisite accounting and financial management expertise.	4
Shri Prashant Bangur	Executive Director	Member has expertise in Corporate Business Planning & Management and has good accounting and financial management knowledge.	4

#### A.3. Invitees to the Committee

The Chief Finance Officer (CFO) along with the representative(s) from Statutory and Internal Auditors of the Company are permanent invitees for responding to the observations of the Committee. The Company Secretary acts as Secretary to the Committee.

#### B. Nomination cum Remuneration Committee

#### B.1. Terms of Reference

Committee is empowered to -

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulate the system and procedure for evaluating performance of Directors;
- Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management

- to see the diversity of the Board of Directors of the Company
- to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable; and
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

#### B.2. Composition, meetings and attendance

The Nomination cum Remuneration Committee consists of all Independent Directors and during the year under review, the Committee met on 30<sup>th</sup> July, 2018. The composition of the Committee and particulars of attendance at the Committee Meetings are given below:

Name of the Member	Category	No. of Meetings Attended
Shri R. L. Gaggar	Chairman-Independent & Non-Executive Director	1
Shri O. P. Setia	Independent & Non-Executive Director	1
Shri Shreekant Somany	Independent & Non-Executive Director	-
Dr. Y. K. Alagh	Independent & Non-Executive Director	1

### B.3. Performance evaluation criteria for Independent Directors

The performance evaluation criteria laid down for the Independent Directors covers their attendance and contribution at Board/ Committee meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/ Committee meetings, etc.

#### **B.4.** Remuneration Policy

The Company believes in nourishing a peoplefriendly environment aimed at attaining high and sustainable growth where each and every personnel working with it is able to achieve the Company's vision of being the best in the industry. The objective of the remuneration policy is –

- to enable the Nomination cum Remuneration Committee to attract highly qualified executives to join the Board of Directors and top management of the Company;
- to enable the top management to attract, recruit and retain people at senior level positions in the organization;
- to enable the top management working along with senior personnel and Human Resource group of the organization to attract, recruit, motivate and retain the best talent available to join its team;
- to create value for all stakeholders in an efficient and responsible manner; and
- to ensure that the Directors, Executives and prescribed officers are remunerated fairly and responsibly with the long term interest of the Company in mind.

The policy covers appointment and fixing of remuneration for all the Directors as well as Key Management Personnel (KMP) of the Company which includes the Chief Finance Officer and the Company Secretary. It also includes the appointment of other Senior Management Personnel which the Board may decide to appoint and who may report to the top management of the Company. Further, the appointment and remuneration of other employees of the Company

shall also be guided by this policy although the specific implementation may be undertaken by the respective department responsible for hiring in the Company. The Remuneration Policy is enclosed at **Annexure-7** to the Board's Report.

#### **B.5.** Remuneration of Directors

#### **Executive Directors**

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the Nomination cum Remuneration Committee. The remuneration is decided based on broad criteria(s) like industry trend, remuneration package in other comparable Corporates, job contents and key performance areas, Company's performance etc. The remuneration structure comprises of salary, contribution to provident, superannuation & annuity funds perquisites & allowances and gratuity in accordance with Company's rules. In addition, Commission/ Bonus to the Executive Directors, at the end of the year, is determined and approved by the Board. Necessary approvals from shareholders are sought in the general meetings for approval of the remuneration package(s). Executive Directors are not paid any sitting fees for attending meetings of Board and Committee thereof.

#### **Non-Executive Directors**

The remuneration of the Non-Executive Directors comprises of sitting fees and commission. Non-Executive Directors are paid sitting fees of ₹ 75,000 for each meeting of the Board and its Committees attended by them which is within the limits prescribed under the Companies Act, 2013. Besides the sitting fees, they are also paid commission. Payment of commission to Non-Executive Directors including Independent Directors is made based on their contribution in the Board deliberations and Company's performance. None of the Non-Executive Director has any pecuniary relationship or transaction with the Company apart from receiving the sitting fee and commission as aforesaid. The details of remuneration package, fees paid, etc. to the Directors for the year ended on 31<sup>st</sup> March, 2019 are given hereunder:-

(₹ in Lacs)

Director	Category	Fixed 0	Component	Performance	Sitting	Total
		Basic Salary	Allowances, Perquisites and other Benefits\$	Linked Incentives (Commission)	Fees	
Shri B. G. Bangur	Non-Executive Chairman	-	-	33.00	3.00	36.00
Shri H. M. Bangur	Managing Director	1,272.00	1,252.26	2,100.00	-	4,624.26
Shri Prashant Bangur	Jt. Managing Director	432.00	819.07	1,050.00	-	2,301.07
Shri P. N. Chhangani^	Whole-Time Director	82.62	178.18	Nil	-	260.80
Shri R. L. Gaggar	Independent Director	-	-	33.00	8.25	41.25
Shri Shreekant Somany	Independent Director	-	-	33.00	5.25	38.25
Shri O. P. Setia	Independent Director	-	-	33.00	8.25	41.25
Dr. Y. K. Alagh	Independent Director	-	-	33.00	8.25	41.25
Shri Nitin Desai	Independent Director	-	-	33.00	8.25	41.25
Dr. Leena Srivastava	Independent Director	-	-	33.00	4.50	37.50
Shri Sanjiv Krishnaji Shelgikar	Independent Director	-	-	33.00	7.50	40.50
Shri Ramakant Sharma*	Non-Executive Director	-	-	N.A.	2.25	2.25

<sup>\$</sup> The Allowances, Perquisite and other Benefits include contribution to Provident Fund, Superannuation Fund, Leave Encashment and Gratuity (if paid). The value of perquisites is calculated in accordance with the rules framed under the Income Tax Act, 1961.

# Service Contract, Notice Period, Severance Fees and Stock Options

- The appointment of Shri H. M. Bangur, Managing Director, Shri Prashant Bangur, Joint Managing Director & Shri P. N. Chhangani, Whole Time Director is for five years from the date of their respective appointment.
- Notice period as per the Rules of the Company.
- Except Gratuity and Earned Leave at the end of the tenure, no other severance fees is payable.
- No Stock Options were granted during the year.

# C. Stakeholders' Relationship Committee

# C.1. Terms of Reference

Committee is empowered to -

Review and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review measures taken for effective exercise of voting rights by shareholders.
- Review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely payment of dividend /dispatch of annual reports/statutory notices to the shareholders of the Company
- Monitor redressal of investors' grievances.

# C.2. Composition, meeting and attendance

The Stakeholders' Relationship Committee consists of all Independent Directors and during the year under review, one meeting of the Committee was held on 22<sup>nd</sup> January, 2019. In the said meeting, the Committee reviewed the status of investors' complaints received and

<sup>^</sup> Appointed w.e.f. 30<sup>th</sup> July, 2018 \*Ceased w.e.f. 4<sup>th</sup> August, 2018.

resolved during the calendar year 2018. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member	Category	No. of Meetings Attended
Shri R.L. Gaggar - Chairman	Independent & Non-Executive Director	1
Dr. Y.K. Alagh	Independent & Non-Executive Director	1
Shri Nitin Desai	Independent & Non-Executive Director	1

# C.3. Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year

M/s. Karvy Fintech Private Limited, Hyderabad is acting as the Share Transfer Agent of the Company to carry out the share transfer & other related work. Shri S. S. Khandelwal, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The Share Transfer Agent/Company has timely resolved/attended all the complaints and no complaint or grievance remained unattended/ unresolved at the end of the year. Details of the complaints received and resolved during, the year ended 31<sup>st</sup> March, 2019 are as under:-

Sl. No.	Nature of Complaints	No. of Complaints received	No. of Complaints resolved
I	Dividend related issues	Nil	Nil
II	Shares transfer/ transmission/deletion of name related issues	3	3
Ш	Dematerialization related issues	Nil	Nil
IV	Annual Report related issues	3	3
V	Duplicate Shares related issues	2	2
	Total	8	8

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary & Compliance Officer at the Registered Office with a copy of the earlier correspondence.

# D. Corporate Social and Business Responsibility Committee (CSBR Committee)

As required under Section 135 of the Companies Act, 2013, the Company has constituted CSBR Committee

of Directors to inter-alia formulate Corporate Social Responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy, monitor the CSR policy, etc. The terms of reference and other details are as follows:-

# D.1 Terms of Reference:

The Committee is empowered to:-

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy;
- recommend the amount of expenditure to be incurred on the activities in line with objectives given in CSR policy;
- oversee the Company's activities and contribution with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen;
- review the performance of the Company on environment, governance and sustainability initiatives & matters;
- approve the policies on principles as required in terms of Business Responsibility Reporting requirements and changes/ modifications required from time to time in such policies; and
- to approve Company's report on Business Responsibility Reporting requirements.

# D.2. Composition, meeting and attendance

During the year under review, the CSBR Committee met once on 28<sup>th</sup> April, 2018. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member	Category	No. of Meetings Attended
Shri O.P. Setia - Chairman	Independent & Non-Executive Director	1
Shri Prashant Bangur	Executive Director	1
Shri Nitin Desai	Independent & Non-Executive Director	1
Dr. Leena Srivastava	Independent & Non-Executive Director	1
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	1
Shri Ramakant Sharma*	Non-Executive Director	1

<sup>\*</sup> Ceased w.e.f. 4<sup>th</sup> August, 2018

# **Subsidiary Companies**

Company does not have any material unlisted Indian subsidiary. The Audit and Risk Management Committee of the Board of Directors of the Company reviews the financial statements, in particular, the investments, if any, made by its unlisted subsidiary company. Statement of all significant transactions and arrangements entered into by the unlisted subsidiary Companies, if any is placed before the Board for review. Copies of Minutes of the Board Meeting(s) of the Subsidiary Companies are tabled at the Board Meeting of the Company. The policy for determining material subsidiaries as approved by the Board is posted on the website of the Company and can be accessed on the website of the Company at link https://www.shreecement.com/pages/policies.php.

# **General Body Meetings**

The required information under Regulation 34(3) read with Schedule V of the Listing Regulations is given under the "Shareholders' Information" separately in the annexure to this Corporate Governance Report.

## **Disclosures**

- Related Party Transactions: There were no material related party transactions during the year 2018-19 that have conflict with the interest of the Company as provided under Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. All related party transactions have been approved by the Audit and Risk Management Committee and/or by the Board. The policy on Related Party Transactions as approved by the Audit and Risk Management Committee and the Board is available on Company's website and can be accessed at link: https://www.shreecement.com/pages/policies.php.
- Non-compliance/strictures/penalties imposed:
   No non-compliance / strictures / penalties have been imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority on any matters related to capital markets during the last three years.
- **Risk Management:** Risk evaluation and management is an on-going process within the organisation. The Company has a well-defined risk management framework in place. The Company periodically places before the Audit and Risk Management Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- Vigil Mechanism: The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and instances of leakage of un-published price sensitive information. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee in exceptional cases. It is affirmed that no personnel of the Company has been

- denied access to the Audit and Risk Management Committee.
- Certificate from Practicing Company Secretary: A
  certificate from Shri Pradeep Pincha, Practicing
  Company Secretary is attached and forms part of this
  report certifying that none of the directors of the
  Company have been debarred or disqualified from
  being appointed or continuing as director of company,
  by the SEBI or Ministry of Corporate Affairs or any such
  statutory authority.
- Total fee paid to Statutory Auditors: Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, is ₹ 42.45 Lacs (includes Audit fees and certification / other services). No fee was paid by Subsidiary Companies for such services.
- Confirmation by the Board of Directors'
   Acceptance of Recommendation of Mandatory
   Committees: In terms of the amendments made to
   the SEBI Listing Regulations, the Board of Directors
   confirm that during the year, it has accepted all
   recommendations received from its mandatory
   committees.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement: Company has not raised any funds through preferential allotment or qualified institutions placement.
- Commodity price risk or foreign exchange risk and hedging activities: Company's foreign exchange risk emanates from forex borrowings and import of fuel and other raw materials. The Company takes decision of obtaining forex cover based on market conditions. As regards import of fuel and other raw materials, the Company decides about the hedging based on prevailing market conditions period of exposure, amount involved etc. The Company does not have any exposure hedged through Commodity derivatives.
- Disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:-

Sl. No.	Particulars	No. of Complaints
1	Number of complaints filed during the financial year 2018-19.	NIL
2	Number of complaints disposed of during the financial year 2018-19.	NIL
3	Number of complaints pending as at end of the financial year 2018-19.	NIL

- Details of compliance with mandatory requirements and adoption of non-mandatory requirements: The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:
  - a. Non-Executive Chairman's Office: The Company maintains a separate office for the Chairman of the Company who is Non-Executive Director with all necessary infrastructure. All assistance is made available to enable him to discharge his responsibilities effectively.
  - **b. Shareholder's Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

- c. Modified opinion in Auditors' Report: Company's financial statement for the year 2018-19 does not contain any modified audit opinion.
- d. Separate posts of Chairperson and Chief Executive Officer: The Company is having separate posts of Chairman (Non-Executive) and Managing Director.
- e. Reporting of Internal Auditors: The Internal Auditors of the Company submit reports to the Audit and Risk Management Committee and have direct access to it.
- Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46 (2) (b) to (i)	Website	Yes

# **CEO / CFO Certification**

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company is required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2018-19 given by the Managing Director and the Chief Finance Officer is annexed to this Report. The Managing Director and the Chief Finance Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

# **Code of Conduct**

The Board of Directors has laid down a Code of Conduct known as Policy on Ethics, Transparency and Accountability for all the Board Members and Employees of the Company. The code covers, amongst other things, Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable development, health & safety, transparency and compliance of laws & regulations, etc. The code of conduct is posted on the website of the Company.

All the Board members and Senior Management personnel have confirmed compliance with the code for the year 2018-19. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

# **Prevention of Insider Trading**

As per the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated and implemented a Code of Conduct for Regulating, Monitoring and Reporting of trading by the Designated Persons and their immediate relatives. All the Designated Persons as defined in the Code are governed by this Code. The Company has appointed Shri S. S. Khandelwal, Company Secretary as Compliance Officer who is responsible for setting forth procedures & implementation

of the Code. The Company has also formulated and uploaded on its website the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under Regulation 8(1) of above regulations and nominated Company Secretary, Shri S. S. Khandelwal as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

## **Means of Communications**

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications. Details of communication mode are as under-

- The unaudited quarterly and audited annual financial results are announced immediately after approval from the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified in the Listing Regulations.
- Thereafter, these are circulated among media/news agencies/ analyst, etc. and are displayed on the Company's website www.shreecement.com. These results are also published in leading newspapers normally with Financial Express, Economic Times, Mint,

- Business Line, Dainik Bhaskar, Dainik Navjoyti, Rajasthan Patrika within forty-eight hours.
- The Annual Report, inter-alia, containing Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report including Management Discussion and Analysis, Auditors' Report and other important information is circulated to members and others entitled thereto.
- NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (Listing Centre): Both NEAPS and Listing Centre are web-based applications designed for corporates by the respective stock exchanges. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, media releases, etc. are filed electronically on these platforms.
- **SEBI Complaints Redress System (SCORES):** This is a centralised web-based complaint redressal system designed by SEBI for investors. Companies are required to upload online, Action Taken Reports (ATRs) against the complaints filed by investors and simultaneously investors can view the actions taken on the complaint and its current status.
- Website: The Company's website www.shreecement.com contains a separate dedicated section 'Investor Centre' wherein all information related to Members/Investors has been made available.

# ANNEXURE TO CORPORATE GOVERNANCE REPORT

# SHAREHOLDERS' INFORMATION

# **Annual General Meeting**

Day & Date of AGM	Time	Venue
Friday, 9 <sup>th</sup> August, 2019	11.30 AM	'Rangmanch Auditorium', Bangur Nagar, Beawar - 305 901, Distt.: Ajmer, Rajasthan

Details of the Annual General Meeting held in the last three years are as under:

Year Ended	Day & Date of AGM	Time	Venue
31 <sup>st</sup> March, 2016	Friday, 12 <sup>th</sup> August, 2016	12:15 PM	'Rangmanch Auditorium', Bangur Nagar,
31 <sup>st</sup> March, 2017	Monday, 31 <sup>st</sup> July, 2017	1:00 PM	Beawar - 305 901, Distt.: Ajmer, Rajasthan
31 <sup>st</sup> March, 2018	Monday, 30 <sup>th</sup> July, 2018	11:30 AM	

Special Resolution(s) passed in previous three AGMs:

Date of AGM	Special Resolution(s) passed by Members
12 <sup>th</sup> August, 2016	a) Re-designation of Shri Prashant Bangur from Whole-time Director to Joint Managing Director w.e.f. 2 <sup>nd</sup> February, 2016 for remaining period of his tenure.
	b) Re-appointment of Shri H. M. Bangur as Managing Director of the Company for a period of five years w.ef. 1 <sup>st</sup> April, 2016 and terms and conditions as to his remuneration.
	c) Authorization to Board of Directors for issue of Non-Convertible Debentures (NCDs) through Private Placement pursuant to Section 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
31 <sup>st</sup> July, 2017	a) Re-appointment of Shri Prashant Bangur as Joint Managing Director of the Company for a period of five years w.e.f. 1 <sup>st</sup> April, 2017 and terms and conditions as to his remuneration.
	b) Authorization to Board of Directors for issue of Non-Convertible Debentures (NCDs) through Private Placement pursuant to Section 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
30 <sup>th</sup> July, 2018	a) Increase in Borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013.
	b) Authorisation to Board of Directors for creation of charges/mortgages in respect of borrowings pursuant to Section 180(1)(a) of the Companies Act, 2013.
	c) Authorization to Board of Directors for issue of Non-Convertible Debentures (NCDs) through Private Placement pursuant to Section 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

# Special Resolution passed through Postal Ballot

During the year, the Company has carried out postal ballot process in accordance with Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, to obtain consent of members by way of Special Resolution(s) for continuation of directorship of Shri B. G. Bangur, Shri O. P. Setia, Shri R. L. Gaggar, Dr. Y. K. Alagh and Shri Nitin Desai (who have attained the age of 75 years) beyond 31<sup>st</sup> March, 2019 and for confirmation of appointment of Shri P. N. Chhangani as Whole Time Director w.e.f. 30.7.2018.

The details of voting pattern of postal ballot resolutions are as under:-

Sl. No.	Description of resolution	Total No. of Valid votes	Votes Assenting the Resolution	% of Votes Cast in favour	Votes Dissenting the resolution	% of Votes Cast against
1	Continuation of Shri B. G. Bangur as Non-Executive Director of the Company (Non-Independent)	2,75,12,440	2,73,54,473	99.4258	1,57,967	0.5742
2	Continuation of current term of Shri R. L. Gaggar as Independent Director of the Company	2,74,13,707	2,44,23,568	89.0925	29,90,139	10.9075
3	Continuation of current term of Shri O. P. Setia as Independent Director of the Company	2,75,10,550	2,66,07,896	96.7189	9,02,654	3.2811
4	Continuation of current term of Dr. Y. K. Alagh as Independent Director of the Company	2,75,10,511	2,69,63,583	98.0119	5,46,928	1.9881
5	Continuation of current term of Shri Nitin Desai as Independent Director of the Company	2,75,12,401	2,75,12,200	99.9993	201	0.0007
6	Appointment of Shri P. N. Chhangani as Whole Time Director of the Company w.e.f. 30 <sup>th</sup> July, 2018	2,78,87,712	2,62,31,032	94.0595	16,56,680	5.9405

All the aforesaid resolutions were passed with requisite majority.

None of the businesses is proposed to be transacted through Postal Ballot before the ensuing Annual General Meeting.

# Financial Year and Tentative Financial Calendar

Company follows period of  $1^{st}$  April to  $31^{st}$  March as its Financial Year. Tentative financial calendar for the Financial Year 2019-20 is as under:-

Un-audited Financial Results:	
First Quarter ending on 30 <sup>th</sup> June, 2019	Within 45 days from the end of the quarter
Second Quarter/half year ending on 30 <sup>th</sup> September, 2019	Within 45 days from the end of the quarter
Third Quarter ending on 31 <sup>st</sup> December, 2019	Within 45 days from the end of the quarter
Audited Financial Results:	
Year ending on 31 <sup>st</sup> March, 2020	Within 60 days from the end of the year

# **Date of Book Closure (Final Dividend)**

Friday, 2<sup>nd</sup> August, 2019 to Friday, 9<sup>th</sup> August, 2019 (Both days inclusive)

# **Dividend Payment Date**

Sl. No.	Particular	Payment Date
1	Interim Dividend for the year 2018-19 (Already paid)	1 <sup>st</sup> February, 2019
2	Final Dividend for the year 2018-19	on or after 13 <sup>th</sup> August, 2019, if declared

# **Credit Ratings**

List of Credit Ratings obtained by the Company along with any revisions thereto during the financial year 2018-19 are as follows:-

Sl. No.	Particulars	Amount (₹ Crore)	Rating	
1	Reaffirmation of the rating by CARE Rating Limited	Long term Bank Facilities	1,100	CARE AAA; Stable
		Short term Bank Facilities	800	CARE A1+
2	Reaffirmation of the rating by CARE Rating Limited	Commercial Paper (CP)	300	CARE A1+
3	Reaffirmation of the rating by CARE Rating Limited	Commercial Paper (CP)	600 (Enhanced from ₹ 300 Crores)	CARE A1+
4	Reaffirmation of the rating by	Long Term Rating	1,900	CRISIL AAA/Stable
	CRISIL Ratings	Short Term Rating		CRISIL A1+

# **Dividend Distribution Policy**

The Dividend Distribution Policy of the Company is as under:-

"Your company has uninterrupted and increasing dividend pay out track record since 2000-01. The management is confident of maintaining the same. The yearly outgo of dividend is dependent on the prevalent macro economic conditions as well as the industry specific scenario. It also depends on the capital expenditure program under implementation. The retained earnings as in past, shall always be used for the expansion of business."

# Listing on Stock Exchange(s)

Name of Stock Exchange	Stock Code
BSE Limited	
P J Towers, Dalal Street, Fort, Mumbai - 400 001	500387
National Stock Exchange of India Limited	
Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	SHREECEM EQ

Name of the Depositories (for Demat only)	ISIN
National Securities Depository Ltd.	
Trade World, 'A' Wing, 4 & 5 Floors, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	INE070A01015
Central Depository Services (India) Ltd.	
P J Towers, 17 <sup>th</sup> Floor, Dalal Street, Fort, Mumbai - 400 001	INE070A01015

The Company has paid listing fees to all the Stock Exchanges where its securities are listed for the financial year 2018-19.

Corporate Identification Number (CIN): L26943RJ1979PLC001935

# **Market Price data**

Month		BSE			NSE			
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)		
April-18	17,573.30	16,092.40	27,909	17,590.60	16,039.50	3,24,958		
May-18	16,999.95	15,752.00	7,343	17,048.00	15,740.05	4,19,529		
June-18	17,046.95	15,015.15	21,678	17,080.00	14,980.00	4,71,152		
July-18	18,222.00	15,550.05	17,910	18,080.00	15,427.15	5,33,959		
August-18	19,005.00	16,855.00	16,023	19,035.00	16,803.15	3,44,026		
September-18	19,260.00	16,249.90	26,499	19,290.00	16,116.00	4,09,624		
October-18	16,950.00	13,125.00	16,635	16,993.20	13,100.00	7,58,882		
November-18	16,702.25	13,479.00	11,136	16,750.70	13,414.65	6,61,475		
December-18	17,798.85	15,875.00	6,492	17,846.00	15,805.15	4,31,086		
January-19	17,350.00	14,843.55	48,766	17,356.25	14,855.00	6,31,534		
February-19	17,146.20	15,055.30	8,869	17,155.10	15,046.45	4,24,540		
March-19	18,888.00	16,568.45	9,680	18,949.00	16,562.05	4,72,898		
TOTAL			2,18,940			58,83,663		

# Performance in comparison to broad-based indices

Indices	BSE (Sensex)	SCL Quote at BSE (₹)	NSE (Nifty)	SCL Quote at NSE (₹)
1 <sup>st</sup> April, 2018 (Open)	33,030.87	16,272.75	10,151.65	16,200.00
31 <sup>st</sup> March, 2019 (Close)	38,672.91	18,634.65	11,623.90	18,667.65
Increase/(Decrease)	5,642.64	2,361.90	1,472.25	2,467.65
% Increase/(Decrease)	17.08%	14.51%	14.50%	15.23%

# Movement of Shree's stock vis-à-vis Sensex in FY 2018-19 (Average of monthly high-low)



# Movement of Shree's stock vis-à-vis Nifty in FY 2018-19 (Average of monthly high-low)



# **Share Transfer System**

Transfer of shares in dematerialised form is done through the Depository Participant (DP) without any involvement of the Company/Registrar & Share Transfer Agent. As regards transfer of shares in physical form, the transfer document can be lodged with Karvy Fintech Private Limited, Registrar & Share Transfer Agent or with the Company.

The physical shares along with valid, duly executed and stamped Securities Transfer Form (Form No. SH-4) signed by the member (or on his/ her behalf) and the transferee, as and when received, are duly processed and shares in respect of valid transfer instruments are transferred in the name of transferees after observing compliance with the rules in force. The Compliance Officer i.e. Company Secretary has been delegated the power to approve registration of transfers/ transmission/ transposition of shares. Duly transferred share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

However, SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30<sup>th</sup> November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1<sup>st</sup> April, 2019, transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository (except in case of transmission or transposition of securities). In view of the same, now the shares can not be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately.

# **Nomination facility**

As per the provisions of Section 72 of the Companies Act

2013, facility for making nominations is available to individuals holding shares of the Company. Members holding shares in physical form, may obtain the Nomination Form (Form SH-13) from the Registered Office of the Company or Registrar & Share Transfer Agent or can be downloaded from the Company's website viz. www.shreecement.com under the section 'Investor Center'. Investors holding share in electronic form should contact their concerned Depository Participant (DP) directly for nomination.

# Unclaimed Dividends and transfer to IEPF

In accordance with the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ('IEPF rules'), dividend which remains unclaimed for a period of seven years or more from the date of transfer to the 'Unpaid Dividend Account' of the Company shall be transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. As per practice, Company sends reminders to shareholders whose dividend amount is unpaid before transferring the same to IEPF. During the year, the Company has transferred the amount of unclaimed and unpaid Final dividend for year 2010-11 and First Interim for year 2011-12 within the prescribed due date.

For the dates of transfer of unpaid dividend amount to IEPF, please refer the relevant section of Notice of the 40<sup>th</sup> Annual General Meeting of the Company. Shareholders are requested to approach the Company, if they have not received/encashed their dividend warrants of relevant year.

In compliance with the IEPF rules, the Company has uploaded the information in respect of dividend amounts

remaining unpaid and unclaimed as on date of 39<sup>th</sup> Annual General Meeting of the Company with the Ministry of Corporate Affairs. The same information has been uploaded on Company's website www.shreecement.com as prescribed in the above referred rules. Shareholders can visit website of MCA/ Company for checking the status of dividend amounts remaining unpaid/unclaimed dividend in respect of their holding in the Company. Members whose unpaid dividends were transferred to IEPF, can claim the amounts by following prescribed procedures/guidelines which are available at website of the Company at https://www.shreecement.com/pages/shareholders\_information.php and website of the IEPF authority at http://www.iepf.gov.in/IEPF/refund.html.

# Transfer of underlying shares into Investor Education and Protection Fund (IEPF)

In terms of Section 124(6) of the Companies Act, 2013 read with IEPF rules, the Company is required to transfer shares to the IEPF Suspense Account in respect of which dividends remained unpaid/unclaimed for a period of seven consecutive years or more. In compliance to the said requirement, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Details of the said shares are available on the website of the Company and can be accessed through the link: https://www.shreecement.com/pages/shareholders\_information.php. The said details have also been submitted with the Ministry of Corporate Affairs and same can be accessed through the link:

http://www.iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?method=gotoSearchInvestor. Such shares can be claimed from IEPF authority by filing Form No. IEPF-5 in the prescribed manner.

# Usage of electronic payment modes for making dividend payments to the investors

Shareholders can opt for receiving dividend credit directly into their bank account by updating their bank account details with the Depository Participants in case the same are held in dematerialised mode or with the Registrar & Share Transfer Agent of the Company in case the share are held in physical form. The Company, wherever it is possible based on the details submitted by members to Registrar & Share Transfer Agent or Depository Participants, as the case may be, is using electronic modes such as RTGS, NEFT, NECS, Direct Credit for making payment of dividend amounts. In remaining cases, payable at-par demand drafts are issued in favour of members and dispatched to their registered address.

# Disclosure relating to Demat Suspense Account/ Unclaimed Suspense Account

Regulation 39(4) of the Listing Regulations read with Schedule VI provides for the manner of dealing with unclaimed shares. As per the provisions, the Company is required to dematerialise such shares which have been returned as undelivered by postal authorities and hold the same in Unclaimed Suspense Account with a Depository. Disclosure pursuant to the unclaimed shares held by the Company as on 31st March, 2019 is given below:-

Particulars	Aggregate number of Shareholders	Outstanding shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the beginning of the year i.e. 1 <sup>st</sup> April, 2018	1	100
Number of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	-	-
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	-	-
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the end of the year i.e. 31 <sup>st</sup> March, 2019	1	100

The voting rights on the aforesaid shares shall remain frozen till the rightful owner claims the shares.

# Correspondence regarding change of address, bank mandate, etc.

Shareholders are requested to ensure that all events of change of address, change in bank particulars, etc., are intimated to Company or Share Transfer Agent promptly. Such requests duly signed by all holders, where there are more than one, along with supporting documents such as proof of residence and proof of identification should be sent for updating Company's records. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account(s).

# **Reconciliation of Share Capital Audit**

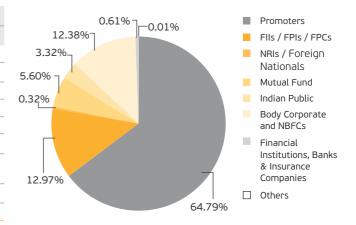
As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, depositories and is also placed before the Board of Directors in their meetings.

## Distribution of Shareholding as on 31st March, 2019

Sl. No.	Slab of Shares	No. of Holders	% to Holders	No. of Shares	% to Total No. of Shares
1.	1 - 50	24,066	86.57	2,25,816	0.65
2.	51 - 100	1,571	5.65	1,37,506	0.39
3.	101 – 200	833	3.00	1,32,730	0.38
4.	201 – 500	627	2.26	2,19,391	0.63
5.	501 - 1,000	267	0.96	2,03,910	0.59
6.	1,001 - 5,000	260	0.94	5,73,004	1.64
7.	5,001 - 10,000	55	0.20	3,98,524	1.14
8.	10,001 and above	121	0.44	3,29,46,344	94.57
	TOTAL	27,800	100.00	3,48,37,225	100.00

# **Shareholding Pattern**

Description	No. of Shares held			
	31.03.19	% of holding		
Promoters	225,69,797	64.79%		
FIIs / FPIs / FPCs	45,17,554	12.97%		
NRIs / Foreign Nationals	1,12,124	0.32%		
Mutual Fund	19,49,938	5.60%		
Indian Public	11,58,530	3.32%		
Bodies Corporate and NBFCs	43,12,911	12.38%		
Financial Institutions, Banks & Insurance Companies	2,13,485	0.61%		
Others	2,886	0.01%		
Total	3,48,37,225	100.00%		



# **Dematerialisation of Shares & Liquidity**

The trading in the Company's Equity Shares has been permitted in Demat form w.e.f. 29<sup>th</sup> November, 1999. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for maintaining and facilitating transactions in the Company's shares in electronic mode. In view of the advantage offered by the Depository System, Members are requested to avail the facility of dematerialisation. 89.48% of total equity share capital is held in dematerialised form with NSDL and CDSL as on 31<sup>st</sup> March, 2019 (As on 31<sup>st</sup> March, 2018: 89.35%).

The shares are actively traded at BSE and NSE and have adequate liquidity. Futures and Options contracts on Company's securities have also been permitted for trading at BSE and NSE.

There were no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on 31<sup>st</sup> March, 2019.

## **Plants Location**

## **RAJASTHAN**

- 1. Beawar: Bangur Nagar, Beawar, Distt.: Ajmer, Rajasthan 305 901
- 2. Ras: Bangur City, Ras, Tehsil: Jaitaran, Distt.: Pali, Rajasthan 306 107
- 3. Khushkhera: Plot No. SP3-II / A-1, RIICO Industrial Area, Khushkhera, Tehsil: Bhiwadi, Distt.: Alwar, Rajasthan 301 707
- 4. Suratgarh: Near N.H.-15, Udaipur Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan 335 804
- 5. Jobner (Jaipur): Mahela Jobner Road, Village: Aslapur, Tehsil: Phulera, Distt.: Jaipur, Rajasthan 303 331

#### **UTTARAKHAND**

6. Laksar (Roorkee): Akbarpur - Oud, Tehsil: Laksar, Distt.: Haridwar, Uttarakhand - 247 663

## **BIHAR**

7. Aurangabad: Industrial Growth Centre Biada, Near Jasoia More, Post: Mojurahi, Distt.: Aurangabad, Bihar - 824 102

## **CHHATTISGARH**

8. Baloda Bazar: Village Khapradih, Tehsil-Simga, Distt.: Balodabazar, Chhattisgarh - 493 332

## **HARYANA**

9. Panipat: Village – Khukhrarna, P.O. – Asan Kalan, Tehsil – Madlouda, Distt: Panipat (Haryana)

# **UTTAR PRADESH**

10. Bulandshahr: 12, Sikandrabad Industrial Area, Sikandrabad, Distt.: Bulandshahr, Uttar Pradesh - 203 205

# **KARNATAKA**

11. Kodla: Village Kodla & Benkanhalli, Taluk: Sedam Distt.: Kalaburagi, Karnataka – 585222

# **Registered Office & Address for Correspondence:**

Shree Cement Limited, Post Box No. 33,

Bangur Nagar, Beawar - 305 901, Distt: Ajmer, Rajasthan

Phone: +91-1462-228101-06 Fax: +91-1462-228117 / 228119 Toll Free No.: 1800 180 6003 / 6004 Email: shreebwr@shreecement.com

# **Shareholders' Queries:**

Shri S. S. Khandelwal - Company Secretary

Phone: +91-1462-228101 to 06 Fax: +91-1462-228117/19 Toll Free: 1800 180 6003 / 6004

Exclusive e-mail ID for shareholders' queries:

investor@shreecement.com

# **Clarifications on financial statements:**

Shri Subhash Jajoo, Chief Finance Officer

Phone: +91-33-22390601-05 Fax: +91-33-22434226

E-mail: jajoos@shreecement.com

# Registrar and Share Transfer Agents:

M/s. Karvy Fintech Private Limited Unit: SHREE CEMENT LIMITED

Karvy Selenium Tower B, Plot No 31 & 32

Gachibowli, Financial District, Nanakramguda, Serilingampally,

Hyderabad-500032

Contact Person: Mr. Ganesh Chandra Patro, Senior Manager

# **DECLARATION ON CODE OF CONDUCT**

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended on 31st March, 2019.

for SHREE CEMENT LIMITED

Place: Kolkata Date: 18<sup>th</sup> May, 2019 **H. M. Bangur** Managing Director DIN: 00244329

# **COMPLIANCE CERTIFICATE FROM CEO/CFO**

[Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

# The Board of Directors, SHREE CEMENT LIMITED

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, this is to certify that:-

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit and Risk Management Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take for rectifying these deficiencies.
- D. We have indicated to the auditors and the Audit and Risk Management Committee:
  - (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata Date: 18<sup>th</sup> May, 2019 **Subhash Jajoo**Chief Finance Officer

**H. M. Bangur** Managing Director DIN: 00244329



# **CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

# **CERTIFICATE**

{Pursuant to clause 10 of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Shree Cement Limited (CIN: L26943RJ1979PLC001935), in our opinion and to the best of our information and on the basis of written representation received, this is to certify that none of the director on the Board of Shree Cement Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority, as on 31<sup>st</sup> March, 2019.

For **P. Pincha & Associates**Company Secretaries

Pradeep Pincha Proprietor M. No.: FCS 5369 C. P. No.: 4426

Place: Jaipur

Date: 25<sup>th</sup> April, 2019

# INDEPENDENT AUDITORS'REPORT

## TO THE MEMBERS OF SHREE CEMENT LIMITED

# Report on the Standalone Financial Statements

## **Opinion**

We have audited the accompanying standalone financial statements of Shree Cement Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and its profit, its cash flows and the changes in equity for the year ended on that date.

# **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

# Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

# Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement
  of the financial statements, whether due to fraud or
  error, design and perform audit procedures
  responsive to those risks, and obtain audit evidence
  that is sufficient and appropriate to provide a basis for
  our opinion. The risk of not detecting a material
  misstatement resulting from fraud is higher than for
  one resulting from error, as fraud may involve
  collusion, forgery, intentional omissions,
  misrepresentations, or the override of internal
  control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a

material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report)

Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- 2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, 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 financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 from being appointed as a director in terms of section164(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 the requirements of section 197(16) of the Act, as amended:
  - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditors' 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:
  - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements:
  - ii. The Company did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses:
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

**Mukesh Dua**Partner
Membership No. 085323

Place: Kolkata Date: 18<sup>th</sup> May, 2019

# Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

# 1) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets have been physically verified by the management in a phased periodical manner 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 verification.
- (c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of all the immovable properties are held in the name of the Company

# 2) In respect of its inventories:

- (a) The management has physically verified the inventories. In our opinion, the frequency of verification is reasonable.
- (b) The discrepancies noticed on verification between the physical stocks and the book records were not material and such discrepancies have been properly dealt with in the books of accounts.
- According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties cover under section 185 of the Act. In respect of investments made by the Company, the provisions of section 186 of the Act have been complied with.

- 5) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.
- 6) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under Section 148 of the Act, and are of the opinion that prima facie, the prescribed Cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) (a) According to the information and explanations given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, Cess, Goods and Service Tax and other material statutory dues applicable to it.
  - According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they become payable.
  - (b) According to the information and explanations given to us, the details of disputed amount of Income Tax, Value Added Tax, Sales Tax, Goods and Service Tax, Excise Duty, Custom Duty and Service Tax not deposited by the Company are as follows:

Name of the statute	Nature of the dues	Amount under dispute not yet deposited (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
(A) Excise and Service Tax				
Central Excise Act, 1944	Cenvat credit on Inputs	0.59	2005-06 to 2007-08 & 2013-14	Commissioner (Appeals) of Central Excise
	Cenvat credit on Inputs	0.08	1997-98	Customs Excise & Service Tax Appellate Tribunal (CESTAT)
	Cenvat credit on capital goods	0.03	2009-10	Rajasthan High Court, Jaipur
Finance Act, 1994	Credit of Service Tax	0.18	2011-12	Customs Excise & Service Tax Appellate Tribunal (CESTAT)
Total (A)		0.88		
(B) Customs Duty				
Customs Act, 1962	Custom Duty Valuation	15.75	2008-09 to 2009-10 & 2012-13	Customs Excise & Service Tax Appellate Tribunal (CESTAT)
Total (B)		15.75		
(C) Sales Tax				
Central Sales Tax Act, 1956	Partial Exemption Claim including interest	2.24	1998-99 to 2000-01	Rajasthan High Court, Jodhpur
Central Sales Tax Act, 1956	Interest demand on CST	14.98	2007-08	Tax Board, Ajmer
Rajasthan VAT Act, 2003	Interest demand on VAT	7.36	2007-08	Tax Board, Ajmer
Bihar VAT Act, 2005	Input VAT Credit	0.12	2016-17	Joint Commissioner of Commercial Taxes (Appeals) Central Division, Patna
Total (C)		24.70		
Grand Total (A+B+C)		41.33		

- 8) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans and borrowings to the financial institutions, banks or debenture holders. The Company did not have any outstanding loans and borrowings from government during the year.
- 9) The company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. In our opinion, the term loans have been applied for the purpose for which they were obtained.
- 10) In our opinion and according to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.
- 11) In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

- 13) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore reporting under clause 3(xiv) of the Order are not applicable.
- 15) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non- cash transaction with directors or persons connected with him, therefore reporting under clause 3(xv) of the Order are not applicable.
- 16) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

**Mukesh Dua**Partner
Membership No. 085323

Place: Kolkata Date: 18<sup>th</sup> May, 2019

# Annexure 'B' to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

# 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 Shree Cement Limited ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

# Management's Responsibility for Internal Financial Controls

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

# **Auditors' Responsibility**

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

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

# Meaning of Internal Financial Controls Over Financial Reporting

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

# Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019 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 **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

Place: Kolkata Date: 18<sup>th</sup> May, 2019 **Mukesh Dua** Partner Membership No. 085323

# STANDALONE BALANCE SHEET as at 31st March, 2019

(₹ in Crore)

	Notes	As at	As at
		31.03.2019	31.03.201
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	4,465.04	3,577.11
Capital Work-in-Progress	38	1,121.11	1,427.15
Intangible Assets	8	10.63	12.07
Financial Assets		10.03	12.07
Investments	9	4,411.14	3,123.29
Loans	10	51.87	48.81
Other Financial Assets	11	22.72	200.00
Deferred Tax Assets (Net)	12	612.64	513.05
Non-Current Tax Assets (Net)		110.76	100.28
Other Non-Current Assets	13	395.65	439.91
Other Nor-Current Assets	13	11,201.56	9,441.67
Current Assets		11,201.50	9,441.07
Inventories	14	1,589.05	1,569.02
Financial Assets	14	1,505.05	1,505.02
	15	22.74	2 211 04
Investments Trade Receivables		32.74 732.40	2,311.04
	16		459.25
Cash and Cash Equivalents	17	35.00	51.70
Bank Balances other than Cash and Cash Equivalents	18	272.78	69.20
Loans	10	9.65	7.77
Other Financial Assets	11	101.45	92.99
Other Current Assets	13	1,218.62	1,139.19
		3,991.69	5,700.16
Total Assets		15,193.25	15,141.83
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	34.84	34.84
Other Equity		9,562.55	8,861.99
		9,597.39	8,896.83
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	20	2,309.04	2,208.13
Other Financial Liabilities	21	734.19	525.55
Provisions	22	8.24	7.61
Other Non-Current Liabilities	23	557.73	536.57
outer non our ene gloomates		3,609.20	3,277.86
Current Liabilities		5,003.20	3/277100
Financial Liabilities			
Borrowings	24	467.95	1.185.86
Trade Payables		407.55	1,103.00
Total Outstanding Dues of Micro Enterprises and Small Enterprises	55	2.11	7.50
Total Outstanding Dues of Creditors other than Micro Enterprises and		448.68	719.77
		440.00	/15.//
Small Enterprises	21	422.02	411.67
Other Financial Liabilities	21	423.03	411.67
Other Current Liabilities	23	621.61	619.15
Provisions (ALC)	22	1.03	0.94
Current Tax Liabilities (Net)		22.25	22.25
		1,986.66	2,967.14
Total Equity and Liabilities		15,193.25	15,141.83

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Gupta & Dua Chartered Accountants

Firm's Registration No. 003849N

Mukesh Dua

Partner

Membership No. 085323

Place : Kolkata Date: 18th May, 2019 For and on behalf of the Board

B. G. Bangur Chairman

DIN: 00244196

S. S. Khandelwal

Company Secretary

Subhash Jajoo Chief Finance Officer H. M. Bangur Managing Director

DIN: 00244329

Joint Managing Director DIN: 00403621

Prashant Bangur

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee

DIN: 00244443

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2019

(₹ in Crore)

			(VIII CI OI
	Notes	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Revenue from Operations	25	11,722.00	10,159.53
Other Income	26	245.40	389.05
Total Income		11,967.40	10,548.58
EXPENSES			
Cost of Materials Consumed	27	894.81	769.06
Changes in Inventories of Finished Goods and	28	(30.61)	1.29
Work-in-Progress			
Excise Duty on Sales		-	326.43
Employee Benefits Expense	29	677.82	588.05
Power and Fuel		2,745.04	1,979.65
Freight and Forwarding Expenses	30	2,864.10	2,524.89
Finance Costs	31	246.98	135.27
Depreciation and Amortisation Expense	7 & 8	1,391.68	899.40
Other Expenses	32	1,955.96	1,553.64
		10,745.78	8,777.68
Captive Consumption of Cement		(37.94)	(56.26)
(Previous year Net of Excise Duty ₹ 1.86 crore)			
Total Expenses		10,707.84	8,721.42
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		1,259.56	1,827.16
Exceptional Items	35	178.13	-
PROFIT BEFORE TAX		1,081.43	1,827.16
Tax Expense	44		
Current Tax		220.41	446.27
Tax Expense Relating to Earlier Years (Net)		(2.69)	0.30
Deferred Tax (Credit) / Charge		(87.34)	(3.59)
		130.38	442.98
PROFIT FOR THE YEAR		951.05	1,384.18
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss- Re-measurements of the Defined Benefit Plans	40(b)	5.05	3.27
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(1.76)	(1.13)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedge	49	(35.05)	(4.92)
Income Tax relating to Items that will be Reclassified to Profit or Loss		12.25	1.77
·		(19.51)	(1.01)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		931.54	1,383.17
(Comprising Profit and Other Comprehensive Income for the Year)			
Earnings per Equity Share of ₹ 10 each (In ₹)	51	500.5	65.4.4=
Cash		698.54	654.47
Basic and Diluted		273.00	397.33
Significant Accounting Policies The accompanying notes are an integral part of the Standalone Financial Sta	5		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For and on behalf of the Board

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

**Mukesh Dua** Partner Membership No. 085323

Place : Kolkata Date : 18<sup>th</sup> May, 2019 **B. G. Bangur** Chairman DIN: 00244196

**S. S. Khandelwal** Company Secretary

**Subhash Jajoo** Chief Finance Officer **H. M. Bangur** Managing Director DIN: 00244329 **Prashant Bangur**Joint Managing Director
DIN: 00403621

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee DIN: 00244443

DIN. 0024444.

# STANDALONE CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Crore)

Pa	rticulars		ear ended 3.2019	For the Year ended 31.03.2018	
Α	Cash Flow From Operating Activities				
	Profit Before Exceptional Items and Tax		1,259.56		1,827.16
	Adjustments For :		-,		1,027.120
	Depreciation and Amortisation Expense	1,391.68		899.40	
	Foreign Exchange Rate Differences (Net)	142.12		21.03	
	Balances Written Back	(2.14)		(12.76)	
	Provision No Longer Required	(0.20)		(42.13)	
	Allowance for Doubtful Trade Receivables (Net)	0.57		0.43	
	Net Gain on Sale of Investments	(9.92)		(36.43)	
	Loss on Liquidation of a Subsidiary Company Classified at Cost	0.21		-	
	(Gain)/ Loss on Fair Value of Financial Assets through Profit or Loss	(14.84)		(2.68)	
	Interest Income	(163.68)		(209.26)	
	Dividend Income on Financial Assets Classified at Fair Value through Profit or Loss	(52.84)		(82.52)	
	Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	22.35		1.10	
	Finance Costs	246.98	1,560.29	135.27	671.45
	Operating Profit Before Working Capital Changes		2,819.85		2,498.61
	Adjustments For :				
	(Increase) / Decrease in Trade and Other Receivables	(400.73)		(509.92)	
	(Increase) / Decrease in Inventories	(20.03)		(254.52)	
	Increase / (Decrease) in Trade & Other Payables and Provisions	(109.44)	(530.20)	651.37	(113.07)
	Cash Generated From Operations		2,289.65		2,385.54
	Direct Taxes Paid (Net of Refunds)		(229.96)		(506.79)
	Net Cash From Operating Activities		2,059.69		1,878.75
В	Cash Flow From Investing Activities		-		
	Purchase of Property, Plant and Equipment (Including Capital Work-in-Progress and Advances)	(1,897.12)		(2,525.13)	
	Proceeds from Sale of Property, Plant and Equipment	13.97		1.56	
	Payments for Intangible Assets	(2.13)		(2.68)	
	Purchases of Investments in Bonds, Debentures and Preference Shares	-		(815.11)	
	Payment for Acquisition of Controlling Stake in Raipur Handling and Infrastructure Private Limited (Refer Note 37)	(59.00)		-	
	Proceeds from Sale/Redemption of Bonds, Debentures & Preference Shares	705.75		913.91	
	(Purchases) / Proceeds of Investments in Mutual Funds (Net)	2,279.47		(1,931.72)	
	Investment made in Subsidiary Companies	(2,099.31)		-	
	Proceeds from liquidation of a Subsidiary Company	0.04		-	
	Investments in Bank Deposits	(210.74)		(65.08)	
	Maturity of Bank Deposits	207.30		61.63	
	Change in Earmarked Balances with Banks (Unpaid Dividend)	(0.14)		(0.15)	
	Dividend Received	59.43		95.70	
	Interest Received (Including Interest on Zero Coupon Bonds)	189.85		672.34	
	Net Cash Used in Investing Activities		(812.63)		(3,594.73)

(₹ in Crore)

Particulars		For the Year ended		For the Year ended	
	31.03	31.03.2019		31.03.2018	
C Cash Flow From Financing Activities					
Proceeds from Long Term Borrowings	-		1,684.82		
Repayment of Long Term Borrowings	(7.53)		-		
Payment of Finance Lease Liabilities	(1.52)		(3.98)		
Proceeds from Short Term Borrowings	75.00		1,009.27		
Repayment of Short Term Borrowings	(1,048.53)		(660.16)		
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	223.44		5.38		
Interest and Financial Charges Paid	(275.29)		(124.78)		
Dividend and Tax Paid there on (Interim and Final)	(230.84)		(184.33)		
Net Cash (Used in) / From Financing Activities		(1,265.27)		1,726.22	
Net (Decrease) / Increase in Cash and Cash Equivalents		(18.21)		10.24	
Cash and Cash Equivalents as at the beginning of the Year		33.45		23.21	
Cash and Cash Equivalents as at the end of the Year		15.24		33.45	

## Notes:

- 1 Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 2 The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 Statement of Cash Flows.
- 3 For the purpose of Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Crore)

	As at	As at
	31.03.2019	31.03.2018
Balances with Banks	34.20	51.14
Cash on Hand	0.80	0.56
	35.00	51.70
Less: Bank Overdraft	19.76	18.25
	15.24	33.45

4 Refer Note 45 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For and on behalf of the Board

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N B. G. Bangur Chairman DIN: 00244196 H. M. Bangur Managing Director DIN: 00244329 **Prashant Bangur**Joint Managing Director
DIN: 00403621

**Mukesh Dua** Partner **S. S. Khandelwal** Company Secretary O. P. Setia

Membership No. 085323

Independent Director & Chairman of Audit and Risk Management Committee DIN: 00244443

Place : Kolkata Date : 18<sup>th</sup> May, 2019 **Subhash Jajoo** Chief Finance Officer

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# STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended $31^{\rm st}$ March, 2019

# A. EQUITY SHARE CAPITAL (Refer Note 19)

Particulars	Numbers	₹ in Crore
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at 31.03.2019	3,48,37,225	34.84
As at 31.03.2018	3,48,37,225	34.84

# B. OTHER EQUITY

For the Year ended 31st March, 2019

(₹ in Crore)

		Reserve	s and Surplus	i	Total	
Particulars	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01.04.2018	15.00	26.53	5,500.00	3,334.13	(13.67)	8,861.99
Profit for the Year				951.05		951.05
Other Comprehensive Income for the Year						
Re-measurements of the Defined Benefit Plans (Net of Tax)				3.29		3.29
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 49)					(22.80)	(22.80)
Transfer to /(from) Retained Earnings			200.00	(200.00)		-
Final Dividend on Equity Shares (Note 1 below)				(104.51)		(104.51)
Tax on Final Dividend				(21.48)		(21.48)
Interim Dividend on Equity Shares (Note 2 below)				(87.09)		(87.09)
Tax on Interim Dividend				(17.90)		(17.90)
Closing Balance as at 31.03.2019	15.00	26.53	5,700.00	3,857.49	(36.47)	9,562.55

# For the Year ended 31<sup>st</sup> March, 2018

(₹ in Crore)

		Reserve	s and Surplus		Item of OCI		
Particulars	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges		
Opening Balance as at 01.04.2017	15.00	26.53	5,000.00	2,632.29	(10.52)	7,663.30	
Profit for the Year				1,384.18		1,384.18	
Other Comprehensive Income for the Year							
Re-measurements of the Defined Benefit Plans (Net of Tax)				2.14		2.14	
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 49)					(3.15)	(3.15)	
Transfer to /(from) Retained Earnings			500.00	(500.00)		-	
Final Dividend on Equity Shares (Note 3 below)				(83.61)		(83.61)	
Tax on Final Dividend				(17.02)		(17.02)	
Interim Dividend on Equity Shares (Note 4 below)				(69.67)		(69.67)	
Tax on Interim Dividend				(14.18)		(14.18)	
Closing Balance as at 31.03.2018	15.00	26.53	5,500.00	3,334.13	(13.67)	8,861.99	

Note 1: Final Dividend declared at the rate of ₹ 30 per share of ₹ 10 each for FY 2017-18.

Note 2: Interim Dividend declared at the rate of ₹ 25 per share of ₹ 10 each for FY 2018-19.

Note 3: Final Dividend declared at the rate of ₹ 24 per share of ₹ 10 each for FY 2016-17.

Note 4: Interim Dividend declared at the rate of ₹ 20 per share of ₹ 10 each for FY 2017-18.

#### **Nature of Reserves**

## **Capital Redemption Reserve**

Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

# **Securities Premium**

Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, interalia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

#### General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

# **Retained Earnings**

Retained Earnings represents the undistributed profits of the Company.

## **Effective Portion of Cash Flow Hedges**

The Company has designated certain hedging instruments as cash flow hedges and any effective portion is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

**Mukesh Dua**Partner
Membership No. 085323

Place : Kolkata Date : 18<sup>th</sup> May, 2019 For and on behalf of the Board

**B. G. Bangur** Chairman DIN: 00244196

**S. S. Khandelwal** Company Secretary

**Subhash Jajoo**Chief Finance Officer

H. M. Bangur

Managing Director

DIN: 00244329

Prashant Bangur

Joint Managing Director

DIN: 00403621

Independent Director & Chairman of Audit and Risk Management Committee

DIN: 00244443

O. P. Setia

# Notes Forming Part of Standalone Financial Statements

## 1. CORPORATE INFORMATION

Shree Cement Limited ("the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar, District- Ajmer-305901 (Rajasthan) India.

The Company is engaged in the manufacturing and selling of cement, cement related products and power generation and sales. It is recognized as one of the most efficient and environment friendly company in the global cement industry.

For Company's principal shareholders, Refer Note No. 19.1.

These financial statements are approved and adopted by the Board of Directors of the Company in their meeting held on 18<sup>th</sup> May, 2019.

#### 2. STATEMENT OF COMPLIANCE

The standalone financial statements (hereinafter referred to as "financial statements") of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

# 3. NEW ACCOUNTING PRONOUNCEMENTS - ADOPTION OF IND AS 115 'REVENUE FROM CONTRACTS WITH CUSTOMERS'

Effective 1<sup>st</sup> April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the modified retrospective approach. The adoption of Ind AS 115 did not have any significant impact on overall financial statements of the Company.

# 4. APPLICATION OF NEW STANDARD/ AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

In March 2019, the Ministry of Corporate Affairs issued Companies (Indian Accounting Standards) Amendments Rules, 2019, notifying the following Ind AS/amendments which is effective from annual period beginning on or after 1st April 2019:

#### a) Ind AS 116 - Leases

This new Ind AS replaces the existing standard Ind AS 17 'Leases'. The core requirement under Ind AS 116 for lessee is to recognize the asset for the right of use received and liability for the obligations under each lease contract for lease term (as defined under Ind AS 116) except for short period leases or low value leases.

# b) Amendment to Ind AS 103 - Business Combinations

Amendment provides additional guidance for

accounting in case of a party to the joint operation achieved control over joint operation. Such transaction is required to be accounted like the business combination achieved in stages.

# c) Amendment to Ind AS 109 - Financial Instruments

Amendment provides additional guidance in relation to prepayment features with reasonable compensation that changes the contractual cash flow. Amendment also provides the transitional provision in Ind AS 109 as a consequence of issuance of guidance on prepayment features with negative compensation.

# d) Amendment to Ind AS 111 - Joint Arrangements

As per the amendment, a party participating in joint operation but does not have joint control shall not re-measure it's previously held interest in a joint operation (which constitutes a business) while attaining joint control over joint operation on acquisition of additional interest or otherwise.

## e) Amendment to Ind AS 12 - Income Taxes

As part of amendment, Appendix C 'Uncertainty over Income Tax Treatments' has been inserted in the standard which clarifies the recognition and measurement requirements of Ind AS 12 in case of uncertainty over income tax treatment and reflect the effect of such uncertainty in accounting treatment.

# f) Amendment to Ind AS 19 - Employee Benefits

The standard is amended to provide the guidance for measurement of defined benefit obligation in case of plan amendment, curtailment or settlement.

# g) Amendment to Ind AS 23 - Borrowing Cost

The amendment clarifies that borrowing cost applicable to borrowing made specifically for the purpose of obtaining a qualifying asset shall be excluded while determining general capitalization rate only till substantially all the activities necessary to prepare that specific asset for its intended use are completed.

# h) Amendment to Ind AS 28 – Investments in Associates and Joint Ventures

The amendment clarifies that an entity first applies Ind AS 109 'Financial Instruments' to other financial Instruments (long-term interests in associates and joint ventures) before taking into account its share of profit or loss of an associate or joint venture under Ind AS 28. Consequently, in applying Ind AS 109, an entity does not take account of any adjustments to the carrying amount of long-term interests under Ind AS 28. The Company does not have any interest in associate or joint venture therefore the amendment will not have any effect on the Company's financial statements.

These Ind AS/amendments are applicable to the Company from 1<sup>st</sup> April, 2019. The Company is evaluating the effects of the new Ind AS/amendments on its financial statements.

# 5. SIGNIFICANT ACCOUNTING POLICIES

# a) Basis of Preparation and Measurement

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:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 5 (t))
- Employee's defined benefit plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest crore, except otherwise indicated.

# b) 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:

- It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
- 2. It is held primarily for the purpose of trading; or
- 3. It is expected to realize the asset within twelve months after the reporting period; or
- 4. The asset is a cash or cash 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:

 It is expected to be settled in the normal operating cycle; or

- It is held primarily for the purpose of trading; or
- 3. It is due to be settled within twelve months after the reporting period; or
- 4. The Company does not have an 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.

# c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use, including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All subsequent costs are charged to statement of profit and loss unless 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.

Capital work in progress is carried at cost and directly attributable expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under "other noncurrent assets".

Depreciation is provided on written down value method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	3-20 Years
Building	20 Years
Roads	10 Years
Railway Siding	20 Years
Vehicles	5-6 Years
Office Equipment	3-5 Years
Furniture & Fixtures	5 Years

Assets individually costing less than or equal to ₹ 5,000 are fully depreciated in the year of purchase. Leasehold land classified as finance lease is amortized over the period of lease on a straight line basis. Freehold land containing mineral reserve is amortized over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a prorata basis from the date of installation or acquisition and in case of projects, from the date when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis upto the date of deduction/disposal.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed and/orderecognized.

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

## d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use.

Amortization is provided on a written down value method over estimated useful lives, but not exceeding three years except mining rights which is amortized based on units-of-production method.

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

The residual values, useful lives and method of amortization of Intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

# e) Borrowing Costs

Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other

borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## f) Impairment of Non-Financial Assets

The carrying amount of assets are reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's 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. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

# g) Revenue Recognition

Revenue is recognized to depict the transfer of promised goods or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of goods and power is recognized when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and either the customer has accepted the products in accordance with sales

arrangement. Revenue is disclosed net of Goods and Services Tax (GST)/Sales Tax/VAT, discounts, volume rebates & returns, as applicable. Revenue is inclusive of excise duty till 30<sup>th</sup> June, 2017.

- h) Dividend income is recognized when the right to receive the payment is established. Interest is recognized using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognized as profit or loss on sale/redemption of investment on the date of transaction.
- i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognized only when collection is virtually certain which generally coincides with receipt and are netted off from related expenses.

# j) Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognized in the statement of profit and loss on a systematic basis over the period to match them with the related costs

Grants related to assets are included in noncurrent liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of 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 and is recognized in the statement of profit and loss.

## k) Employee Benefits

## 1) Defined Contribution Plan

Superannuation, Provident Fund, National Pension Scheme and Employees State Insurance Corporation (ESIC) are considered as defined contribution plan and the contributions are charged to the statement of profit and loss for the year in which employees have rendered related services.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust in respect of few employees. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of

return and recognizes such contribution and shortfall, if any, as an expense in the year incurred.

# 2) Defined Benefit Plan

Gratuity is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorized 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'.

Re-measurement, 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 net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

# 3) Other Long Term Benefits

En-cashable leave in case of employees covered by Cement Wage Board and non encashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/losses, if any, are recognized in the statement of profit and loss in the year in which they arises.

# 4) Other Short term Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized 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.

## l) Foreign Currency Transaction

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also the Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise except the amount of such differences capitalized in accordance with policy on 'Borrowing costs'.

# m) Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such case the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognized for all taxable temporary difference and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. 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 liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

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

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Tax credit is recognized in respect of Minimum Alternate Tax (MAT) paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

# n) Inventories

# Raw Materials, Stores & Spare Parts, Packing Materials and Fuel

These are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

# 2) Work-in-progress and Finished goods

These are valued at lower of cost and net

realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty till 30<sup>th</sup> June, 2017. Cost is determined on a weighted average basis.

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

# o) Provisions and Contingencies

#### 1) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and 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.

If the effect of time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

# **Mines Reclamation Expenditure**

The Company provides for the expenditure to reclaim the quarries used for mining in the statement of profit and loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in the statement of profit and loss.

# 2) Contingencies

Contingent liabilities are disclosed when there is a possible obligation as a result of 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 or when there is 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 amount cannot be made. Contingent assets are not recognized.

# p) Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

## 1) Assets Taken on Finance Lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

# 2) Operating Lease

Leases other than finance leases are operating leases. Payments made under operating leases are recognized in the statement of profit and 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 expected inflationary cost increases.

## g) Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the internal business reporting systems. These business segments are reviewed by the chief operating decision maker. Inter segment transfers are accounted for as if the sales or transfers were to third parties at market price.

Common allocable costs are allocated to each segment according to the relative contribution

of each segment to the total common costs. Assets, Liabilities, Revenue and Expenses which are not allocable to segments are included under "unallocated".

## r) Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognized in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a Business Combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for

classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognizes any additional assets or liabilities that are so identified, any gain thereafter is recognized in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

#### s) Investment in Subsidiaries

The Company's investment in its subsidiaries are carried at cost.

# t) Financial Instruments

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

# 1) Financial Assets

# Initial Recognition and Measurement

All financial assets are recognized 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 assets.

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans, other financial assets and investments.

# Classification and Subsequent Measurement

Financial assets are subsequently measured at amortized cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset contractual cash flow characteristics.

### a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### b) Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### c) Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

#### Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

#### Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. 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.

#### 2) Financial Liabilities

#### Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

#### Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

#### a) Financial liabilities at Fair Value Through Profit or Loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

#### b) Other Financial Liabilities

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

#### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

## 3) Derivative Financial Instruments and Hedge Accounting

The Company uses derivative financial instruments, such as forward currency

contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company designates these cross currency and interest rate swaps in a cash flow hedging relationship by applying the hedge accounting principles.

These cross currency and interest rate swaps are stated at fair value at each reporting date. Changes in the fair value of these swaps that are designated and effective as hedges of future cash flows are recognized in other comprehensive income (net of tax) and the ineffective portion is recognized immediately in the statement of profit and loss. Amounts accumulated in equity are reclassified to the statement of profit and loss when the hedged transaction affects the profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

## 4) Financial Liabilities and Equity Instruments:

#### Classification as Debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument. The Company does not have any compound financial instruments.

#### **Equity Instruments**

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

#### u) Cash and Cash Equivalents

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

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand 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.

#### v) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to 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.

## 6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

#### a) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

## b) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortization charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### c) Allowances for Uncollected Trade Receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

#### d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### e) Mines Reclamation Obligation

The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government bonds of similar tenure.

#### f) Defined Benefit Plan

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. All assumption are reviewed at each reporting date. Refer Note 40 for sensitivity analysis.

#### g) Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

#### 7. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars		GROS	S BLOCK		DEP	RECIATION	AMORTIZATIO	ON	NET BLOCK
	Opening	Additions	Deductions/	As at	Opening	For the	Deductions/	Up to	As at
	as at	During the	Adjustments	31.03.2019	as at	Year	Adjustments	31.03.2019	31.03.2019
	01.04.2018	Year	During the		01.04.2018		During the		
			Year				Year		
Tangible Assets :									
Free Hold Land	804.13	205.82	0.65	1,009.30	3.38	2.37	-	5.75	1,003.55
Lease Hold Land	305.45	20.95	11.77	314.63	15.43	7.22	0.74	21.91	292.72
Buildings	638.74	273.56	22.69	889.61	223.45	135.53	-	358.98	530.63
Plant and Equipment	4,659.09	1,794.05 (a)	15.45	6,437.69	2,625.41	1,238.56	13.73	3,850.24	2,587.45
Railway Siding	23.42	14.17	-	37.59	11.07	4.49	-	15.56	22.03
Furniture and Fixtures	30.18	7.34	0.11	37.41	23.48	6.84	0.11	30.21	7.20
Office Equipment	39.26	12.59	0.61	51.24	31.49	11.33	0.49	42.33	8.91
Vehicles	26.31	13.38	4.00	35.69	15.76	11.28	3.90	23.14	12.55
Total	6,526.58	2,341.86	55.28	8,813.16	2,949.47	1,417.62(b)	18.97	4,348.12	4,465.04

Particulars		GROS	S BLOCK		DEP	RECIATION /	AMORTIZATIO	ON	NET BLOCK
	Opening	Additions	Deductions/	As at	Opening	For the	Deductions/	Up to	As at
	as at	During the	Adjustments	31.03.2018	as at	Year	Adjustments	31.03.2018	31.03.2018
	01.04.2017	Year	During the		01.04.2017		During the		
			Year				Year		
Tangible Assets :									
Free Hold Land	607.52	196.61	-	804.13	1.87	1.51	-	3.38	800.75
Lease Hold Land	284.59	20.86	-	305.45	8.33	7.10	-	15.43	290.02
Buildings	453.53	185.21	-	638.74	133.38	90.07	-	223.45	415.29
Plant and Equipment	3,173.53	1,494.59(a)	9.03	4,659.09	1,832.77	801.63	8.99	2,625.41	2,033.68
Railway Siding	23.42	-	-	23.42	7.41	3.66	-	11.07	12.35
Furniture and Fixtures	22.48	7.89	0.19	30.18	15.56	8.11	0.19	23.48	6.70
Office Equipment	31.85	10.33	2.92	39.26	20.21	14.18	2.90	31.49	7.77
Vehicles	19.97	10.56	4.22	26.31	11.02	8.77	4.03	15.76	10.55
Total	4,616.89	1,926.05	16.36	6,526.58	2,030.55	935.03 (b)	16.11	2,949.47	3,577.11

- (a) Includes ₹ 12.31 crore (for Year ended 31.03.2018 ₹ 27.11 crore) for capital expenditure on research and development.
- (b) Depreciation for the Year includes ₹ 29.51 crore (for the Year ended 31.03.2018 ₹ 39.02 crore) on assets during construction period.
- (c) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹ 8,508.98 crore and ₹ 5,587.79 crore, respectively.

#### 8. INTANGIBLE ASSETS

Particulars		(	COST		AMORTIZATION				NET CARRYING AMOUNT
	Opening as at 01.04.2018	Additions During the Year	Deductions/ Adjustments During the Year		Opening For the as at Year Adjustments O1.04.2018 Up to 31.03.2019  During the Year				As at 31.03.2019
Intangible Assets :									
Computer Software	11.10	2.13	-	13.23	8.76	3.24	-	12.00	1.23
Mining Rights	10.08	-	-	10.08	0.35	0.33	-	0.68	9.40
Total	21.18	2.13	-	23.31	9.11	3.57	-	12.68	10.63

Particulars		(	COST		AMORTIZATION				NET CARRYING AMOUNT
	Opening	Additions	Deductions/	As at	Opening	For the	Deductions/	Up to	As at
	as at	During the	Adjustments	31.03.2018	as at	Year	Adjustments	31.03.2018	31.03.2018
	01.04.2017	Year	During the		01.04.2017		During the		
			Year				Year		
Intangible Assets :									
Computer Software	8.42	2.68	-	11.10	5.58	3.18	-	8.76	2.34
Mining Rights	10.08	-	-	10.08	0.14	0.21	-	0.35	9.73
Total	18.50	2.68	-	21.18	5.72	3.39	-	9.11	12.07

 $<sup>(</sup>a) \quad As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Intangible Assets at thier previous GAAP value.$ 

## 9. NON-CURRENT INVESTMENTS

Investments at Amortised Cost (A)	Particulars	Face Value	As	at	As	at
Newstments at Amortised Cost (A)   QUOTED   Sunds and Non Convertible Debentures (NCD)   Indian Railway Finance Corporation Limited   B.00% IRFC Tax Free Bonds - 25FB22   1,000   20,000   2,090   20,000   7,21% IRFC Tax Free Bonds - 26NV22   10,00,000   150   15.05   150   17,22% IRFC Tax Free Bonds - 30NV22   10,00,000   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,03   100   10,000						
Bonds and Non Convertible Debentures (NCD)			No.	Amount	No.	Amount
Bonds and Non Convertible Debentures (NCD)   Indian Railway Finance Corporation Limited	nvestments at Amortised Cost (A)					
Refine   Railway Finance Corporation Limited   8.00% IRFC Tax Free Bonds - 25FB22   1,000   20,000   150   15.05   150   17.22% IRFC Tax Free Bonds - 26FW22   10,00,000   150   15.05   150   17.22% IRFC Tax Free Bonds - 26FW22   10,00,000   100   10.03   100   17.22% IRFC Tax Free Bonds - 19FB23   1,000   80,0000   81.84   8,00,000   8.7.19% IRFC Tax Free Bonds - 31LL25   10,00,000   250   25.14   250   22.7.15% IRFC Tax Free Bonds - 31LL25   10,00,000   259   26.44   259   22.7.15% IRFC Tax Free Bonds - 21AG25   10,00,000   259   26.44   259   22.7.15% IRFC Tax Free Bonds - 23FB27   1,000   160,502   18.04   1,60,502   18.04   1,60,502   17.33% IRFC Tax Free Bonds - 23FB27   1,000   1,60,502   18.04   1,60,502   17.33% IRFC Tax Free Bonds - 26DC27   10,00,000   100   10.80   10.80	OUOTED					
B.00% IRFC Tax Free Bonds - 23FB22	Bonds and Non Convertible Debentures (NCD)					
B.00% IRFC Tax Free Bonds - 23FB22						
7.21% IRFC Tax Free Bonds - 26NV22	· · · · · · · · · · · · · · · · · · ·	1.000	20.000	2.09	20.000	2.12
7.22% IRFC Tax Free Bonds - 30NV22				1		15.06
7.18% IRFC Tax Free Bonds - 19FB23						10.04
7.19% IRFC Tax Free Bonds - 31JL25						82.25
7.15% IRFC Tax Free Bonds - 21AG25	7.19% IRFC Tax Free Bonds - 31JL25	-		25.14		25.16
7.04% IRFC Tax Free Bonds - 03MR26						26.51
8.10% IRFC Tax Free Bonds - 23FB27	7.04% IRFC Tax Free Bonds - 03MR26		105	10.93	505	52.80
7.39% IRFC Tax Free Bonds - 06DC27 7.34% IRFC Tax Free Bonds - 19FB28 1,000 2,37,000 2,37,000 2,37,000 11 8.44% IRFC Tax Free Bonds - 19FB28 1,000 8.63% IRFC Tax Free Bonds - 26MR29 1,000 5,50,000 55.89 5,50,000 57.28% IRFC Tax Free Bonds - 21DC30 1,000 1,51,000 1,51,000 1,51,000 1,51,000 1,51,000 1,51,1,350 1,51,1,30	8.10% IRFC Tax Free Bonds - 23FB27		1,60,502	18.04	1,60,502	18.24
7.34% IRFC Tax Free Bonds - 19FB28						10.87
8.48% IRFC Tax Free Bonds - 21NV28						113.52
8.63% IRFC Tax Free Bonds - 26MR29	8.48% IRFC Tax Free Bonds - 21NV28	-	66	7.78		7.83
7.28% IRFC Tax Free Bonds - 21DC30	8.63% IRFC Tax Free Bonds - 26MR29		5,50,000	55.89	5.50.000	55.96
7.35% IRFC Tax Free Bonds - 22MR31	7.28% IRFC Tax Free Bonds- 21DC30	-		15.10		15.10
Power Finance Corporation	7.35% IRFC Tax Free Bonds - 22MR31	-				52.41
7.21% PFC Tax Free Bonds - 22NV22	Power Finance Corporation					
7.16% PFC Tax Free Bonds - 17JL25	·	10.00.000	500	50.33	500	50.40
8.16% PFC Tax Free Bonds - 25NV26						26.39
8.30% PFC Tax Free Bonds - 01FB27       1,000       24,000       2.76       24,000         8.46% PFC Tax Free Bonds - 30AG28       10,00,000       300       34.02       300       33         8.54% PFC Tax Free Bonds - 16NV28       1,000       68,167       7.96       68,167       7.96         National Highways Authority of India         8.20% NHAI Tax Free Bonds - 25JN22       1,000       14,38,951       145.54       15,01,271       15         8.27% NHAI Tax Free Bonds - 05FB24       1,000       1,00,000       10.87       2,50,000       2         7.11% NHAI Tax Free Bonds - 18SP25       10,00,000       330       33.61       380       3         8.30% NHAI Tax Free Bonds - 18FB26       10,00,000       330       33.61       380       3         8.48% NHAI Tax Free Bonds - 25JN27       1,000       -       -       54,086       6         8.48% NHAI Tax Free Bonds - 05FB29       1,000       -       -       3,35,300       3         7.28% NHAI Tax Free Bonds - 18SP30       10,00,000       10       10.82       365       3         7.35% NHAI Tax Free Bonds - 18SP30       10,00,000       10       10.82       365       3         7.35% NHAI Tax Free Bonds - 09MR31       1,000       3,8						11.30
8.46% PFC Tax Free Bonds - 30AG28					-	2.79
National Highways Authority of India			·			34.33
National Highways Authority of India   8.20% NHAI Tax Free Bonds - 25JN22   1,000   14,38,951   145.54   15,01,271   15   8.27% NHAI Tax Free Bonds - 05FB24   1,000   1,00,000   10.87   2,50,000   2   7.11% NHAI Tax Free Bonds - 18FB26   10,00,000   250   25.06   250   25   2   2   2   2   2   2   2   2						8.04
8.20% NHAI Tax Free Bonds - 25JN22		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				
8.27% NHAI Tax Free Bonds - 05FB24       1,000       1,00,000       10.87       2,50,000       2         7.11% NHAI Tax Free Bonds - 18SP25       10,00,000       250       25.06       250       25         7.02% NHAI Tax Free Bonds - 18FB26       10,00,000       330       33.61       380       33         8.30% NHAI Tax Free Bonds - 25JN27       1,000       -       -       54,086       6         8.48% NHAI Tax Free Bonds - 05FB29       1,000       -       -       3,35,300       3         7.28% NHAI Tax Free Bonds - 18SP30       10,00,000       100       10.82       365       3         7.35% NHAI Tax Free Bonds - 11JN31       1,000       1,46,022       16.03       8,76,022       9         7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       3         Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       11         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       2         7.00% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       3         7.02% HUDCO Tax Free Bon		1.000	14.38.951	145.54	15.01.271	152.38
7.11% NHAI Tax Free Bonds - 18SP25       10,00,000       250       25.06       25.06						27.55
7.02% NHAI Tax Free Bonds - 18FB26       10,00,000       330       33.61       380       3.88         8.30% NHAI Tax Free Bonds - 25JN27       1,000       -       -       54,086       6.88         8.48% NHAI Tax Free Bonds - 22NV28       10,00,000       28       3.26       278       3.3         8.50% NHAI Tax Free Bonds - 05FB29       1,000       -       -       3,35,300       3°         7.28% NHAI Tax Free Bonds - 18SP30       10,00,000       100       10.82       365       3°         7.35% NHAI Tax Free Bonds - 11JN31       1,000       1,46,022       16.03       8,76,022       9         7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       3°         Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       11         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       2         7.07% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68       68         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Fr		<u> </u>	1 1			25.07
8.30% NHAI Tax Free Bonds - 25JN27       1,000       -       -       54,086       6         8.48% NHAI Tax Free Bonds - 22NV28       10,00,000       28       3.26       278       3         8.50% NHAI Tax Free Bonds - 05FB29       1,000       -       -       3,35,300       3         7.28% NHAI Tax Free Bonds - 18SP30       10,00,000       100       10.82       365       3         7.35% NHAI Tax Free Bonds - 11JN31       1,000       1,46,022       16.03       8,76,022       9         7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       3         Housing and Urban Development Corporation Limited       1,000       10,08,424       104.52       10,58,424       11         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       11         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       2         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       68       7.03       68         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,6						38.78
8.48% NHAI Tax Free Bonds - 22NV28  8.50% NHAI Tax Free Bonds - 05FB29  7.28% NHAI Tax Free Bonds - 18SP30  7.35% NHAI Tax Free Bonds - 11JN31  7.39% NHAI Tax Free Bonds - 09MR31  Housing and Urban Development Corporation Limited  8.10% HUDCO Tax Free Bonds - 16FB23  7.39% NHUDCO Tax Free Bonds - 16FB23  7.00% HUDCO Tax Free Bonds - 010T25  7.00% HUDCO Tax Free Bonds - 09OT25  7.00% HUDCO Tax Free Bonds - 08FB26  7.04% HUDCO Tax Free Bonds - 08FB26  7.04% HUDCO Tax Free Bonds - 15MR26  8.20%/8.35% HUDCO Tax Free Bonds - 15FB28  1.000  1.000  2.80,066  2.83.26  2.78  3.326  2.78  3.326  2.78  3.326  2.78  3.326  2.78  3.32  3.33  3.33  3.33  3.34  3.32  3.34  3.35			-	-		6.20
8.50% NHAI Tax Free Bonds - 05FB29       1,000       -       -       3,35,300       30         7.28% NHAI Tax Free Bonds - 18SP30       10,00,000       100       10.82       365       30         7.35% NHAI Tax Free Bonds - 11JN31       1,000       1,46,022       16.03       8,76,022       90         7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       33         Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       110         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       25         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       30         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       26         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16			28	3.26		32.69
7.28% NHAI Tax Free Bonds - 18SP30       10,00,000       100       10.82       365       33         7.35% NHAI Tax Free Bonds - 11JN31       1,000       1,46,022       16.03       8,76,022       99         7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       38         Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       11         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       2         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       36         7.00% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1			-	-		39.54
7.35% NHAI Tax Free Bonds - 11JN31       1,000       1,46,022       16.03       8,76,022       9         7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       3         Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       11         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       2         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       3         7.00% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645       3         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1			100	10.82		39.66
7.39% NHAI Tax Free Bonds - 09MR31       1,000       3,85,462       38.55       3,85,462       3.85         Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       110         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       25         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       36         7.00% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       26         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1	7.35% NHAI Tax Free Bonds - 11JN31				8.76.022	96.67
Housing and Urban Development Corporation Limited         8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       114         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       25         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       30         7.00% HUDCO Tax Free NCD - 090T25       10,00,000       120       12.21       120       1         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1		· ·		38.55		38.55
8.10% HUDCO Tax Free Bonds - 05MR22       1,000       10,08,424       104.52       10,58,424       11         7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       25         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       30         7.00% HUDCO Tax Free NCD - 090T25       10,00,000       120       12.21       120       1         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1	Housing and Urban Development Corporation Limited					
7.34% HUDCO Tax Free Bonds - 16FB23       1,000       2,50,000       25.21       2,50,000       2         7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       30         7.00% HUDCO Tax Free NCD - 090T25       10,00,000       120       12.21       120       1         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1	· · · · · · · · · · · · · · · · · · ·	1.000	10.08.424	104.52	10.58.424	110.88
7.19% HUDCO Tax Free NCD - 31JL25       10,00,000       68       7.03       68         7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       30         7.00% HUDCO Tax Free NCD - 090T25       10,00,000       120       12.21       120       1         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1						25.25
7.07% HUDCO Tax Free NCD - 010T25       10,00,000       250       25.19       300       30         7.00% HUDCO Tax Free NCD - 090T25       10,00,000       120       12.21       120       1         7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       2         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1						7.06
7.00% HUDCO Tax Free NCD - 090T25     10,00,000     120     12.21     120     1.       7.02% HUDCO Tax Free Bonds - 08FB26     1,000     2,80,066     28.32     2,80,066     2.       7.04% HUDCO Tax Free Bonds - 15MR26     1,000     37,645     3.95     37,645       8.20%/8.35% HUDCO Tax Free Bonds - 05MR27     1,000     9,70,000     106.91     9,70,000     10       7.51% HUDCO Tax Free Bonds - 16FB28     1,000     1,19,000     12.97     1,19,000     1						30.25
7.02% HUDCO Tax Free Bonds - 08FB26       1,000       2,80,066       28.32       2,80,066       26         7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1						12.23
7.04% HUDCO Tax Free Bonds - 15MR26       1,000       37,645       3.95       37,645         8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1						28.35
8.20%/8.35% HUDCO Tax Free Bonds - 05MR27       1,000       9,70,000       106.91       9,70,000       10         7.51% HUDCO Tax Free Bonds - 16FB28       1,000       1,19,000       12.97       1,19,000       1		<u> </u>				3.97
7.51% HUDCO Tax Free Bonds - 16FB28 1,000 1,19,000 12.97 1,19,000 1:			·			107.87
						13.06
						5.26
						2.43
		-				31.61
		· · · · · · · · · · · · · · · · · · ·				171.36

## 9. NON-CURRENT INVESTMENTS (contd...)

Particulars	Face Value	۸۵	at	Λ.	s at
Particulars	race value (In ₹)		.2019		s at 3.2018
	(111 (7	No.	Amount	No.	Amount
India Infrastructure Finance Company Limited		110.	Amount	110.	Amount
7.21% IIFCL Tax Free Bonds - 21NV22	10,00,000	150	15.18	150	15.22
7.19% IIFCL Tax Free Bonds - 22JN23	1,000	8,50,000	86.02	8,50,000	86.26
6.86% IIFCL Tax Free Bonds - 26MR23	1,000	50,000	5.12	50,000	5.15
8.11% IIFCL Tax Free Bonds - 05SP23	10,00,000	50	5.20	50,000	5.24
8.01% IIFCL Tax Free Bonds - 12NV23	1,000	50,000	5.36	50,000	5.42
8.41% IIFCL Tax Free Bonds - 22JN24	1,000	1,53,000	16.51	1,53,000	16.72
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	250	26.97	250	27.14
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	150	15.44	150	15.47
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	4,46,000	47.29	4,46,000	47.51
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.74	1,50,000	15.80
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	1,50,000	11.45	1,50,000	11.56
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	15.07 7.43	130	15.23 7.51
8.48% IIFCL Tax Free Bonds - 05SP28 8.38% IIFCL Tax Free Bonds - 12NV28			1.38	11,680	
Rural Electrification Corporation	1,000	11,680	1.30	11,000	1.39
7.21% REC Tax Free Bonds - 21NV22	10.00.000	250	25.17	250	25.21
	10,00,000	250	25.17	250	25.21
7.22% REC Tax Free Bonds - 19DC22	1,000	50,000	5.17	50,000	5.21
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	5.10	45,564	5.16
7.38% REC Tax Free Bonds - 19DC27	1,000	1,00,000	10.80	1,00,000	10.87
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	20.90	181	21.11
8.46% REC Tax Free Bonds - 24SP28	1,000	3,00,000	34.66	3,00,000	35.01
Indian Renewable Energy Development Agency Limited					
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	88.05	8,68,838	88.11
7.17% IREDA Tax Free Bonds - 010T25	10,00,000	150	15.68	150	15.72
National Bank for Agriculture and Rural Development	1.000			400706	40.00
7.35% NABARD Tax Free Bonds - 23MR31	1,000	-	-	4,00,796	40.08
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	-	-	350	40.84
JK Lakshmi Cement Limited					
8.70% JK Lakshmi Cement Limited NCD - 06JN20	10,00,000	-	-	150	15.14
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	200	20.24	200	20.31
Birla Corporation Limited					
9.25% Birla Corporation Limited NCD - 18AG26	10,00,000	400	41.77	400	41.97
Total (A)			1,782.61		2,308.15
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 35)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 25 <sup>th</sup> March, 2021	7,500	28,000	-	28,000	37.07
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 16 <sup>th</sup> May, 2021	7,500	52,000	-	52,000	68.82
16.46% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 5 <sup>th</sup> October, 2022	7,500	13,500	-	13,500	20.65

## 9. NON-CURRENT INVESTMENTS (contd...)

Particulars	Face Value	As	at	As	at
	(In ₹)	31.03.	2019	31.03	.2018
		No.	Amount	No.	Amoun
IL&FS Financial Services Ltd. (Refer Note 35)					
16.99%/17.38% Non Convertible Redeemable Cumulative	7,500	33,400	-	33,400	51.59
Preference Shares (Fully Paid-up), redeemable at premium					
in 5 years from the date of issue, i.e. $30^{\text{th}}$ March, 2021					
Zee Entertainment Enterprises Limited					
6% Cumulative Redeemable Non Convertible Preference	6 (8 as on	9,62,83,625	35.36	20,95,61,622	116.96
Shares (Fully Paid-up), redeemable at par in 3 equal annual	31.03.18)				
instalments from 5 <sup>th</sup> March, 2020 to 5 <sup>th</sup> March, 2022					
In Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days	10	3,50,00,000	38.26	3,50,00,000	35.51
Plan G Direct Plan Cumulative					
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	10	7,50,00,000	81.96	7,50,00,000	76.09
Plan H Direct Plan Cumulative					
Aditya Birla Sun Life Fixed Term Plan - Series PC	10	10,00,00,000	108.96	10,00,00,000	101.49
(1169 Days) Direct Growth	1.0	2 22 22 22	20.67	2 22 22 22	
Kotak FMP Series 216 Direct - Growth	10	3,00,00,000	32.67	3,00,00,000	30.39
UNQUOTED					
Preference Shares					
Tata Capital Limited					
8.33% Non Convertible Cumulative Redeemable	1,000	-	-	10,00,000	100.48
Non-Participating Preference Shares (Fully Paid-up),					
redeemable at par in 7 years from the date of issue, i.e.					
8 <sup>th</sup> August, 2021	1.000	4.00.000	40.05	4.00.000	40.60
8.33% Non Convertible Cumulative Redeemable Preference	1,000	4,00,000	40.05	4,00,000	40.62
Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 21st April, 2022					
7.50% Non Convertible Cumulative Redeemable	1,000	6,00,000	59.35	6.00.000	60.35
Preference Shares (Fully Paid-up), redeemable at par in	1,000	6,00,000	59.55	6,00,000	60.35
7 years from the date of issue, i.e. 15 <sup>th</sup> September 2023					
7.33% Non Convertible Cumulative Redeemable	1,000	7,50,000	73.61	7,50,000	74.87
Preference Shares (Fully Paid-up), redeemable at par in	1,000	7,50,000	75.01	7,50,000	7 4.07
7 years from the date of issue, i.e. 27 <sup>th</sup> July, 2024					
Total (B)			470.22		814.89
nvestments at Cost (C)					
UNQUOTED					
Subsidiary Companies					
Fully Paid Equity Shares					
Shree Global Pte. Ltd. (Liquidated w.e.f. 11.03.2019)	1 USD			40,000	0.25
Shree Global FZE	1 dSD 1 AED	111,50,51,000	2,091.81	40,000	0.25
Raipur Handling & Infrastructure Private Limited	1 ACD	5,53,500	59.00	_	_
<u> </u>	10	5,55,500	39.00		
Partly Paid Equity Shares	10	20.00.000	7.50		
Raipur Handling and Infrastructure Private Limited (Paid up of ₹ 2.50)	10	20,00,000	7.50	-	-
Total (C)			2,158.31		0.25
TOTAL (A+B+C)			4,411.14		3,123.29

#### 9.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

(₹ in Crore)

	As 31.03	at .2019		As at 31.03.2018	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value	
Quoted Investments:					
- In Bonds, Debentures, Preference shares and Mutual Funds	2,079.82	2,111.61	2,846.72	2,918.24	
Total	2,079.82	2,111.61	2,846.72	2,918.24	

## 9.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

2,331.32

276.57

#### 10. FINANCIAL ASSETS - LOANS

(₹ in Crore)

	Non	-Current	Current		
	As at As at		As at	As at	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	
(Unsecured, Considered Good)					
Loans to Staff and Workers	6.43	6.09	5.23	4.63	
Security Deposits (Refer Note 43)	45.44	42.72	4.42	3.14	
	51.87	48.81	9.65	7.77	

#### 11. FINANCIAL ASSETS - OTHERS

(₹ in Crore)

	Non	-Current	Current		
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	
(Unsecured, Considered Good)					
Advances to Staff and Workers	-	-	2.47	2.59	
Derivative Financial Instruments	22.72	-	0.01	3.80	
Fixed Deposits with Banks (maturity more than 12 months)	-	200.00	-	-	
Interest Accrued on Bonds, Debentures and Deposits	-	-	58.02	74.27	
Others	-	-	40.95	12.33	
	22.72	200.00	101.45	92.99	

11.1 Others include dividend receivable etc.

#### 12. DEFERRED TAX ASSETS (NET)

	As at	Recognised	Recognised	As at
	31.03.2018	in P&L	in OCI	31.03.2019
Deferred Tax Assets:				
Arising on account of:				
Long-term and Short-term Capital Losses	-	1.55	-	1.55
Expenses allowed for tax purpose when paid	177.35	9.36	-	186.71
Depreciation and Amortization	302.82	40.34	-	343.16
Cash Flow Hedges	7.34	-	12.25	19.59
MAT Credit Entitlement	32.94	(13.51)	-	19.43
Fair Value of Investments	-	45.53	-	45.53
Others	0.31	0.20	-	0.51
Deferred Tax Liabilities:				
Arising on account of:				
Others	7.71	(3.87)	-	3.84
Net Deferred Tax Assets/(Liabilities)	513.05	87.34	12.25	612.64

#### 12. **DEFERRED TAX ASSETS (NET)** (contd...)

(₹ in Crore)

	As at 31.03.2017	Recognised in P&L	Recognised in OCI	As at 31.03.2018
Deferred Tax Assets:				
Arising on account of:				
Long-term and Short-term Capital Losses	16.56	(16.56)	-	-
Expenses allowed for tax purpose when paid	203.01	(25.66)	-	177.35
Depreciation and Amortization	229.87	72.95	-	302.82
Cash Flow Hedges	5.57	-	1.77	7.34
MAT Credit Entitlement	73.08	(40.14)	-	32.94
Others	0.16	0.15	-	0.31
Deferred Tax Liabilities:				
Arising on account of:				
Others	20.56	(12.85)	-	7.71
Net Deferred Tax Assets/(Liabilities)	507.69	3.59	1.77	513.05

#### 13. OTHER ASSETS

(₹ in Crore)

	Non-Current  As at		Current		
			As at 31.03.2019	As at 31.03.2018	
(Unsecured, Considered Good)					
Advances to Suppliers and Contractors	-	-	100.36	96.21	
Capital Advances	351.38	403.18	-	-	
Assets Held for Disposal	-	-	0.10	0.11	
Prepaid Expenses	3.56	-	3.57	5.51	
Other Receivables	40.71	36.73	1,114.59	1,037.36	
	395.65	439.91	1,218.62	1,139.19	

<sup>13.1</sup> Other receivables includes GST/Sales tax, Government grants and other dues from Government etc.

#### **14. INVENTORIES** (Valued at Lower of Cost or Net Realizable Value)

	As at 31.03.2019	As at 31.03.2018
Raw Materials [Includes in transit ₹ 14.40 crore (As at 31.03.2018 ₹ 8.31 crore)]	52.61	47.76
Fuel [Includes in transit ₹ 306.60 crore (As at 31.03.2018 ₹ 484.03 crore)]	707.90	770.82
Stores and Spares	533.88	485.63
Packing Materials	28.21	28.97
Work-in-Progress [Includes in transit ₹ 14.67 crore (As at 31.03.2018 ₹ 17.27 crore)]	178.56	156.75
Finished Goods [Includes in transit ₹ 39.63 crore (As at 31.03.2018 ₹ 31.21 crore)]	87.89	79.09
	1,589.05	1,569.02

## 15. CURRENT INVESTMENTS

Particulars	Face Value (In ₹)	As at 31.03.2019		As at 31.03.2018	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds					
National Bank for Agriculture and Rural Development					
Zero Coupon NABARD Bhavishya Nirman Bonds - 01MY18	20,000	-	-	180	0.36
Zero Coupon NABARD Bhavishya Nirman Bonds - 01JU18	20,000	-	_	460	0.91
Zero Coupon NABARD Bhavishya Nirman Bonds - 01NV18	20,000	-	_	65	0.12
JK Lakshmi Cement Limited					
8.70% JK Lakshmi Cement Limited NCD - 06JN20	10,00,000	150	15.06	-	_
Total (A)	-,,		15.06		1.39
Investments at Fair Value through Profit or Loss (B)					
OUOTED					
Preference Shares					
Zee Entertainment Enterprises Limited  6% Cumulative Redeemable Non Convertible Preference	C (0.25.02	0.62.02.625	17.00	20.05.61.622	20.00
Shares (Fully Paid-up), redeemable at par in 3 equal annual	6 (8 as on 31.03.18)	9,62,83,625	17.68	20,95,61,622	38.99
instalments from 5 <sup>th</sup> March, 2020 to 5 <sup>th</sup> March, 2022	31.03.10)				
UNQUOTED					
In Units of Mutual Funds					
Kotak Equity Arbitrage Fund-Monthly Dividend (Regular Plan)	10	_	_	2,32,43,489	24.85
Aditya Birla Sun Life Enhanced Arbitrage Fund - Dividend-	10	_	_	3,61,83,362	39.95
Direct Plan - Payout					
Reliance Arbitrage Advantage Fund - Direct Monthly	10	-	-	19,52,95,413	212.07
Dividend Plan					
HDFC Arbitrage Fund - Wholesale Plan - Normal	10	-	-	8,39,73,278	90.59
Dividend - Direct Plan					
ICICI Prudential Equity Arbitrage Fund-Direct Plan - Dividend	10	-	-	12,20,78,541	176.30
Edelweiss Arbitrage Fund Direct Plan Dividend Option - Payout		-	-	4,73,78,315	50.23
Aditya Birla Sun Life Cash Plus - Growth - Direct Plan	10	-	-	35,85,691	100.15
ICICI Prudential Money Market Fund - Direct Plan - Growth	10	-	-	1,24,93,711	300.44
DSP BlackRock Liquidity Fund - Direct Plan - Growth	10	-	-	8,05,852	200.28
HDFC Cash Management Fund - Savings Plan - Direct Plan-	10	-	-	1,38,120	50.06
Growth Option  Kotak Liquid Direct Plan Growth	10			5,68,739	200.31
Reliance Liquid Fund - Cash Plan - Direct Growth Plan	10	-	-	5,35,116	
UTI-Money Market Fund-Institutional Plan-Direct Plan-Growth	10	_		7,70,333	150.22
Axis Enhanced Arbitrage Fund-Direct Dividend Payout (EA-D1)	10	_			150.20
DHFL Pramerica Arbitrage Fund Direct Plan-Monthly	10	-		13,76,04,179 2,34,04,952	25.02
Dividend - Payout	10	_		2,54,04,952	25.02
Kotak Equity Arbitrage Fund-Direct Plan-Fortnight Dividend	10	-	-	7,43,20,766	175.08
Edelwiess Aribtrage Fund Monthly Dividend Direct	10	-	-	9,95,52,326	124.47
Plan - Payout					
HSBC Cash Fund-Growth Direct Plan	10	-	-	2,89,206	50.03
Total (B)			17.68		2,309.65
TOTAL (A+B)			32.74		2,311.04

#### 15.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

(₹ in Crore)

	_	As at 31.03.2019		As at 31.03.2018	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value	
oted Investments:					
In Bonds and Preference Shares	32.74	32.61	40.38	40.38	
otal	32.74	32.61	40.38	40.38	

#### 15.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

2,270.66

#### 16. TRADE RECEIVABLES

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Secured, Considered Good	367.87	273.99
Unsecured		
Considered Good	364.53	185.26
Considered Doubtful	1.47	0.90
	733.87	460.15
Less: Allowance for Doubtful Trade Receivables	1.47	0.90
	732.40	459.25

- 16.1 Refer Note 48 for information about credit risk and market risk of trade receivables.
- 16.2 The average payment terms with customers is 3-20 days.

#### 17. CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Balances with Banks	34.20	51.14
Cash on Hand	0.80	0.56
	35.00	51.70

#### 18. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31.03.2019	As at 31.03.2018
Earmarked Balance with Banks for Unpaid Dividend (Refer note 21.1)	3.88	3.74
Margin Money (Pledged with Banks)	0.96	1.96
Fixed Deposits With Banks (Refer note 18.1 to 18.2 below)	267.94	263.50
Less: Fixed Deposits maturity more than 12 months disclosed under other Non-Current Financial Assets (Refer note 11)	-	(200.00)
	272.78	69.20

- 18.1 Includes deposits of ₹ 22.00 crore (As at 31.03.2018 ₹ 21.00 crore) are pledged with banks against overdraft facilities. (Refer Note 24.2)

19. SHARE CAPITAL (₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Authorised		
6,00,00,000 (As at 31.03.2018 6,00,00,000) Equity Shares of ₹ 10/- each	60.00	60.00
15,00,000 (As at 31.03.2018 15,00,000) Cumulative Preference Shares of ₹ 100/- each	15.00	15.00
	75.00	75.00
Issued, Subscribed and Paid-up		
3,48,37,225 (As at 31.03.2018 3,48,37,225) Equity Shares of ₹ 10/- each fully paid-up	34.84	34.84
	34.84	34.84

#### 19.1 DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES OF THE COMPANY:

Name of Shareholders	Number of Shares Held as at 31.03.2019	% of Total Paid-up Equity Share Capital	Number of Shares Held as at 31.03.2018	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	25.79	89,84,155	25.79
Digvijay Finlease Limited	42,34,780	12.16	42,34,780	12.16
FLT Limited	36,00,000	10.33	36,00,000	10.33
Mannakrishna Investments Private Limited	20,42,824	5.86	20,42,824	5.86

- 19.2 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.
- 19.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- As no fresh issue of shares or reduction in capital was made during the current year as well as during the previous year, hence there is no change in the opening and closing capital. Accrodingly, reconciliation of share capital has not been given.
- 19.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at	As at
31.03.20	<b>19</b> 31.03.2018
Nil	Nil

19.6 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and the annual listing fees has been paid for the year.

#### 20. BORROWINGS (₹ in Crore)

	Non-Current Portion		Current Maturities	
	As at As at		As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Secured				
External Commercial Borrowings	2,255.48	2,134.18	-	-
Indian Rupee Term Loans from Banks	48.00	67.50	19.50	7.50
Vehicle Loan from Others	-	-	-	0.03
Finance Lease Obligation	5.56	6.45	1.46	1.46
	2,309.04	2,208.13	20.96	8.99
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note 21)	-	-	(20.96)	(8.99)
	2,309.04	2,208.13	-	-

#### 20.1 NATURE OF SECURITIES AND TERMS OF REPAYMENT OF EACH LOAN:

	(4 IU (					
Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2019	Loan Amount as at 31.03.2018	Terms of Repayment	
	External Commercial Borrowings					
1	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable	6 Months USD LIBOR+1% (Fixed rate of 8.30% including the	276.69	260.18	Fully Repayable on 08.05.2020	
	Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	effect of related cross currency and interest rate swaps)	276.69	260.18	Fully Repayable on 24.09.2020	
		As at 31.03.2019 3 Months USD LIBOR+0.70% (Fixed rate of 7.81% on INR including the effect of related cross currency & interest rate swaps)				
		As at 31.03.2018 3 Months USD LIBOR+0.70% (Fixed rate of 3.49% on USD as on 31.03.2018 including the effect of related interest rate swaps)	859.01	806.02	Repayable in 9 half yearly equal instalments of USD 1.389 crore w.e.f. 28.03.2021	
		As at 31.03.2019 3 Months USD LIBOR+0.71% (Fixed rate of 7.82% on INR including the effect of related cross currency & interest rate swaps) As at 31.03.2018 3 Months USD LIBOR+0.71% (Fixed rate of 3.49% on USD as on 31.03.2018 including the effect of related interest rate swaps)	342.51	321.07	Repayable in 8 half yearly instalments w.e.f. 27.09.2020 (First four instalments of USD 0.25 crore each, next two instalments of USD 0.50 crore each and last two instalments of USD 1.5 crore each)	
		As at 31.03.2019 2.72% on SGD (Fixed rate of 7.96% on INR including the effect of related cross currency & interest rate swaps [USD to INR]) As at 31.03.2018 2.72% on SGD (Fixed rate of 3.69% on USD as on 31.03.2018 including the effect of related currency swaps [SGD to USD])	500.58	486.73	Repayable in 8 half yearly instalments w.e.f. 27.09.2020 (First four instalment of SGD 0.49 crore each (i.e USD 0.375 crore each), next two instalments of SGD 0.981 crore each (i.e. USD 0.75 crore each) and last two instalments of SGD 2.943 crore each (i.e. USD 2.25 crore each))	

#### 20.1 NATURE OF SECURITIES AND TERMS OF REPAYMENT OF EACH LOAN: (contd...)

(₹ in Crore)

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2019	Loan Amount as at 31.03.2018	Terms of Repayment
	Indian Rupee Term Loan from Banks				
2	First pari passu Charge on entire moveable fixed assets of the Company. The charge shall rank pari passu with other term lenders. Second pari passu charge on entire current assets of the Company.	8.46% (7.15% as on 31.03.18)	67.50	75.00	Repayble in 4 half yearly installments w.e.f. 18.04.2019 (First two installments of ₹ 9.75 crore each & last two installments of ₹ 24 crore each)
3	Vehicle Loan from Others Secured by Hypothecation of the vehicle	10.09%	-	0.03	Repaid during the year 2018-2019
	Finance Lease Obligation	9.61%	7.02	7.91	Refer Note 56
4	Secured against Leased Assets				
	TOTAL		2,330.00	2,217.12	
	Less: Current Maturities of Long Term Debt		20.96	8.99	
	Total Non-Current Portion		2,309.04	2,208.13	

There is no default in repayment of principal and interest thereon.

#### **FINANCIAL LIABILITIES - OTHERS** 21.

(₹ in Crore)

	Non-Current		Current	
	As at As at		As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Maturities of Long-Term Debt	-	-	19.50	7.53
Current Maturities of Finance Lease Obligation	-	-	1.46	1.46
Interest Accrued but not Due on Borrowings	-	-	5.93	6.50
Derivative Financial Instruments	134.30	28.58	0.94	12.21
Unpaid Dividends (Refer Note 21.1)	-	-	3.88	3.74
Security Deposits from Customers, Vendors & Others	599.89	496.97	1.62	2.99
Payable for Capital Goods	-	-	115.14	137.26
Others (Refer Note 21.2)	-	-	274.56	239.98
	734.19	525.55	423.03	411.67

<sup>21.1</sup> There are no amounts due and outstanding to Investor Education and Protection Fund as at 31.03.2019 and 31.03.2018 (Refer note 18).

#### **PROVISIONS** 22.

(₹ in Crore) Non-Current Current As at As at As at 31.03.2019 31.03.2018 **31.03.2019 31.03.2018 Provision for Employee Benefits** Gratuity [Refer note 40(b)] 0.16 0.18 Other Staff Benefit Schemes 1.61 1.46 0.27 0.26 Other Provisions Mines Reclamation Expenses (Refer Note 41) 6.15 0.60 0.50 6.63 8.24 7.61 1.03 0.94

<sup>21.2</sup> Others include the liability related to Employees, Rebate and Discount to Customers etc.

#### 23. **OTHER LIABILITIES**

(₹ in Crore)

	Non-Current		Current	
	As at As at		As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Customers Advances (Refer Note 23.1)	-	-	133.69	164.02
Withholding and Other Taxes Payable	-	-	213.78	183.37
Provident Fund and Superannuation Payable	-	-	12.79	11.11
Other Statutory Liabilities	557.73	536.57	261.35	260.65
	557.73	536.57	621.61	619.15

23.1 Revenue of ₹ 150.76 crores is recognised during current year from the Customer Advances as on 31.03.2018.

#### 24. **CURRENT BORROWINGS**

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Secured		
Loans Repayable on Demand from Banks (Refer Note 24.1)	448.19	149.75
Bank Overdraft (Refer Note 24.2)	19.76	18.25
Unsecured		
Buyers Credit from Banks	-	1,017.86
	467.95	1,185.86

- 24.1 Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis and also secured by joint equitable mortgage on all the immovable assets of the Company situated at Beawar on second charge
- 24.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 18.1)
- There is no default in repayment of principal and interest thereon. 24.3

#### 25. **REVENUE FROM OPERATIONS**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Sale of Products		
Cement	10,295.62	9,252.90
Clinker	332.56	180.17
Power Sales	801.88	432.88
	11,430.06	9,865.95
Revenue from Power Trading		
Revenue from Traded Power	-	0.19
Less: Purchase of Traded Power	-	0.07
	-	0.12
Other Operating Revenue		
Incentives and Subsidies (under various incentive schemes of State and Central Government)	257.60	268.93
Scrap Sales	34.34	24.41
Others	-	0.12
	291.94	293.46
	11,722.00	10,159.53

<sup>25.1</sup> Sales for the period from 01.07.2017 to 31.03.2018 and for the year ended 31.03.2019 are net of Goods and Services Tax (GST), however, sales from 01.04.2017 to 30.06.2017 are gross of excise duty.

<sup>25.2</sup> Sale of Products is net of ₹ 573.30 crore (for year ended 31.03.2018 ₹ 443.51 crore) on account of cash discount, rebates and incentives given to customers.

#### 26. OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Income		
On Deposits Classified at Amortised cost	24.30	23.57
On Bonds and Debentures Classified at Amortised cost	138.52	184.24
On Tax Refund	0.59	0.11
Others	0.27	1.34
Dividend Income on Financial Assets Classified at Fair Value through Profit or Loss	52.84	82.52
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	0.55	31.94
Classified at Fair Value through Profit or Loss	9.37	4.49
Loss on Liquidation of a Subsidiary Company Classified at Cost	(0.21)	-
Net Gain / (Loss) on Fair Value of Financial Assets through Profit or Loss	14.84	2.68
Profit on Sale of Property, Plant and Equipment (Net)	0.34	1.26
Provision No Longer Required	0.20	42.13
Balances Written Back	2.14	12.76
Other Non Operating Income	1.65	2.01
	245.40	389.05

## 27. COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Raw Materials Consumed		
Gypsum	249.12	199.13
Fly Ash	322.06	282.00
Red Ochre and Slag	74.39	94.05
Sulphuric Acid	41.42	39.14
Others	207.82	154.74
	894.81	769.06

## 28. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Closing Stock		
Work-in-Progress	178.56	156.75
Finished Goods	87.89	79.09
	266.45	235.84
Opening Stock		
Work-in-Progress	156.75	127.70
Finished Goods	79.09	109.43
	235.84	237.13
(Increase) / Decrease	(30.61)	1.29

## 29. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31.03.2019	For the year ended 31.03.2018
Salaries, Wages and Bonus	588.61	510.98
Contribution to Provident and other Funds (Refer note 40)	73.84	64.16
Staff Welfare Expenses	15.37	12.91
	677.82	588.05

#### 30. FREIGHT AND FORWARDING EXPENSES

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
On Finished Products	2,039.40	1,782.50
On Inter Unit Clinker Transfer	824.70	742.39
	2,864.10	2,524.89

#### 31. **FINANCE COSTS**

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Expenses	275.25	125.51
Bank and Finance Charges	1.57	2.40
Unwinding of Discount on Provision	0.50	0.48
Exchange Differences Regarded as an Adjustment to Borrowing Cost	49.17	8.79
	326.49	137.18
Less: Interest Capitalised (Refer Note 31.1)	79.51	1.91
	246.98	135.27

Borrowing costs are capitalised using rates based on specific borrowings with interest rates ranging between 3.49% to 7.96% per annum. 31.1

#### 32. **OTHER EXPENSES**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Stores and Spares Consumed	305.21	280.84
Packing Materials Consumed	376.89	317.48
Royalty and Cess	278.89	233.34
Mines Reclamation Expenses	0.56	0.70
Excise Duty on Captive Consumption of Clinker	-	6.75
Repairs to Plant and Machinery	257.09	236.97
Repairs to Buildings	26.27	23.05
Rent	20.05	19.69
Insurance	4.31	4.15
Rates and Taxes	13.13	19.36
Travelling	39.96	34.34
Commission to Non-executive Directors	2.64	2.97
Directors' Sitting Fees and Expenses	0.77	0.75
Advertisement and Publicity	96.20	62.54
Sales Promotion and Other Selling Expenses	166.92	142.03
Excise duty variance on Closing/Opening Stock	-	(19.15)
Foreign Exchange Rate Differences (Net)	148.91	17.81
Corporate Social Responsibility Expenses	31.32	27.81
Assets Written Off	22.69	2.36
Allowance for Doubtful Trade Receivables (Net)	0.57	0.43
Contribution to Electrol Bonds	3.00	-
Miscellaneous (Refer Note 32.1)	160.58	139.42
	1,955.96	1,553.64

#### 32.1 MISCELLANEOUS EXPENSES INCLUDE THE PAYMENTS MADE TO AUDITORS:

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Statutory Auditors		
Audit Fees	0.33	0.30
Certification / Other Services	0.09	0.13
Reimbursement of Expenses	0.10	0.11
Cost Auditors		
Audit Fees	0.05	0.04
Certification / Other Services (Previous year ₹ 15,000)	0.01	-
Reimbursement of Expenses [₹ 20,628 (Previous year ₹ 13,086)]	-	-

#### 33. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

- a. Custom duty (including interest) ₹ 64.52 crore (As at 31.03.2018 ₹ 62.10 crore)
- b. (i) Competition Commission of India (CCI), vide its order dated 31<sup>st</sup> August, 2016 imposed a penalty of ₹ 397.51 crore on the Company for alleged violation of Competition Act. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7<sup>th</sup> November, 2016, granted stay on CCI order subject to deposition of 10% of penalty amount and levy of interest of 12% p.a. on balance amount if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).
  - (ii) In another matter, CCI vide its order dated 19<sup>th</sup> January, 2017 imposed a penalty of ₹ 18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. The Company has filed an appeal before COMPAT (now NCLAT) against the above order.
  - Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.
- c. The Divisional Bench of the Hon'ble Rajasthan High Court vide Judgement dated 6<sup>th</sup> December, 2016 has allowed the appeal filed by Commercial Taxes Department/Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of the Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of the Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits. The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us

Based on the legal opinion, it has a good case before the Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹ 73.08 crore received and ₹ 282.30 crore not received though accounted for.

#### 34. COMMITMENTS

- a. Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 529.85 crore (As at 31.03.2018 ₹ 818.08 crore).
- b. Uncalled liability on partly paid up equity shares of ₹21.90 crore (As at 31.03.2018 ₹ Nil).
- The Company has principal investments of ₹ 171.33 crore in the preference shares of Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Ltd (referred to as "IL&FS Group") which are accounted at fair value through profit or loss as per Ind AS 109- Financial Instruments. In August 2018, credit rating agencies downgraded IL&FS Group's credit rating to junk status. Accordingly, the Company has accounted fair value loss of ₹ 178.13 crore during the year ended 31.03.2019.
- 36. During the year, the Company has acquired voting equity stake of 97.61% in Union Cement Company PJSC (UCC), a company based in United Arab Emirates (U.A.E) on 11<sup>th</sup> July, 2018 at a transaction price of ₹ 2,086.80 crore through its step down subsidiary Shree International Holding Limited. UCC has clinker production capacity of 3.3 MTPA and cement production capacity of 4 MTPA. UCC is operating in U.A.E for more than 4 decades and has well established cement business. It has consistent track record of stable turnover and profits. The acquisition will help the Company to establish its first footprint outside India and will be value accretive for the stakeholders of the Company.
- 37. During the year, the Company has acquired Raipur Handling and Infrastructure Private Limited ("RHIPL") as a wholly owned subsidiary for an aggregate consideration of ₹ 59.00 crore. In order to have the perpetual benefits of various intangible assets and preferential usage of private freight terminal situated near to the cement plant of the Company in the state of Chhattisgarh. The entire investment made in RHIPL has been accounted as non-current investment in the books of accounts.
- 38. Capital work-in-progress includes directly attributable expenses of ₹88.38 crore (As at 31.03.2018 ₹ 115.05 crore) which includes depreciation of ₹7.01 crore (for Year ended 31.03.2018 ₹ 33.69 crore) on assets during construction period.

#### 39. EXPENDITURE ON RESEARCH AND DEVELOPMENT

(₹ in Crore)

Particulars		2018-19						
	Beawar	Total						
Capital	-	4.13	8.18	12.31	27.11			
Revenue	4.00	10.13	5.63	19.76	16.42			
Total	4.00	14.26	13.81	32.07	43.53			

## 40. EMPLOYEE BENEFITS (REFER NOTE 29)

#### (a) Contribution to defined contribution plans recognized as expenses are as under:

(₹ in Crore)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Superannuation Fund	8.05	7.94
Provident Fund (Includes contribution to PF trust ₹ 4.36 crore (₹ 3.66 crore for the year ended 31.03.2018))	46.35	39.61
National Pension Scheme	2.27	1.73
ESIC	0.13	0.11
Total	56.80	49.39

#### (b) Defined Benefit Plan

**Gratuity -** The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

Disclosure for defined benefit plans based on actuarial reports:

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	210.62	183.20
Current service cost	22.47	21.29
Interest cost	16.32	14.20
Re-measurements (gains)/losses	(4.22)	(2.78)
Benefits paid	(6.22)	(5.29)
Present Value of Defined Benefit Obligation at the end of the year	238.97	210.62
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	210.44	183.03
Expected Return on Plan Assets	16.30	15.20
Re-measurements gains/(losses)	0.83	0.49
Contribution by employer	17.46	17.01
Benefits paid	(6.22)	(5.29)
Fair Value of Plan Assets at the end of the year	238.81	210.44
Expenses Recognized in the Statement of Profit and Loss		
Current service cost	22.47	21.29
Interest cost	16.32	14.20
Expected return on plan assets	(16.30)	(15.20)
Expenses Recognized in the Statement of Profit and Loss	22.49	20.29
Expenses recognized in Other Comprehensive Income (OCI)		
Return on plan assets, (excluding amount included in net Interest expense)	(0.83)	(0.49)
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	(13.38)	6.26
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	9.16	(9.04)
Total recognized in Other Comprehensive Income	(5.05)	(3.27)
Total recognized in Total Comprehensive Income	17.44	17.02
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligation	238.97	210.62
Fair Value of Plan Assets	238.81	210.44
Net Liability	0.16	0.18
The Major Categories of Plan Assets as a % of Total Plan		
Oualifying Insurance Policy	100%	100%

#### The Principal actuarial assumption used:

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Discount rate	7.75% per annum	7.75% per annum
Salary Growth Rate	13.07% per annum	13.61% per annum
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected rate of return	7.75% per annum	7.75% per annum
Withdrawal rate (Per Annum)	3.00% p.a. (18 to 30 Years)	3.00% p.a. (18 to 30 Years)
Withdrawal rate (Per Annum)	2.00% p.a. (30 to 44 Years)	2.00% p.a. (30 to 44 Years)
Withdrawal rate (Per Annum)	1.00% p.a. (44 to 60 Years)	1.00% p.a. (44 to 60 Years)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market.

The Gratuity Scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on 31.03.2019 are as follows:

Assumptions	Discount rate		Future S	Salary	Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation (₹ in Crore)	(26.06)	31.09	29.22	(25.14)	(8.70)	10.04

Sensitivity Analysis for significant assumptions as on 31.03.2018 are as follows:

Assumptions	Discount rate		Future S	Salary	Withdrawal Rate	
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation (₹ in Crore)	(23.33)	28.10	26.26	(22.41)	(9.10)	10.55

The Company expects to contribute ₹ 19 Crore (Previous Year ₹ 18 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligation as at 31.03.2019 is 14 years (as at 31.03.2018: 14 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

Particulars	(₹ in Crore)
01 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020	13.68
01 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2021	12.51
01 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022	11.14
01 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023	10.11
01 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	11.17
O1 <sup>st</sup> April 2024 Onwards	180.37

#### (c) Provident fund managed by a trust set up by the Company:

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below, there is no short fall as at 31.03.2019.

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

Particulars	As at 31.03.2019	As at 31.03.2018
Plan assets at year end, at fair value	69.24	55.35
Present value of defined obligation at year end	69.24	55.35
Liability recognized in the Balance Sheet	-	-

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

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Discount Rate	6.50%	7.00%
Expected Guaranteed Interest Rate	8.65%	8.55%
Expected Rate of Return on Assets	8.65%	8.60%

<sup>(</sup>d) Amount recognized as an expense in respect of leave encashment and compensated absence are ₹ 17.13 crore (₹ 14.87 crore for year ended 31.03.2018).

#### 41. PROVISION FOR MINES RECLAMATION EXPENSES

(₹ in Crore)

Particulars	2018-2019	2017-2018
Opening Balance	6.65	6.38
Add: Provision made during the year (Refer Note 32)	0.56	0.70
Add: Unwinding of Discount of Provision (Refer Note 31)	0.50	0.48
Less: Utilized during the year	0.48	0.91
Closing Balance	7.23	6.65

#### 42. SEGMENT REPORTING

A. The Company has two reportable segments, namely Cement and Power. Revenue, Results and other information:

Particulars		20	018-19				2017-18	
	Cement*	Power	Inter Segment Eliminations	Total	Cement*	Power	Inter Segment Eliminations	Total
External Sales	10,920.12	801.88	-	11,722.00	9,726.52	433.01	-	10,159.53
Inter Segment Revenue	-	1,182.25	(1,182.25)	-	-	1,017.06	(1,017.06)	-
Total Revenue	10,920.12	1,984.13	(1,182.25)	11,722.00	9,726.52	1,450.07	(1,017.06)	10,159.53
Results								
Segment Results (Profit Before Exceptional Items, Finance Costs and Tax)	466.38	799.09	-	1,265.47	959.00	672.54	-	1,631.54
Add: Un-allocated Income								
Interest Income				163.68				209.26
Dividend Income				52.84				82.52
Fair Value gain/(loss) on FVTPL Financial Assets				14.84				2.68
Loss on liquidation of a subsidiary company				(0.21)				
Net Gain on Sale of Investments				9.92				36.43
Less: Exceptional Items				178.13				-
Less: Finance Costs				246.98				135.27
Profit Before Tax				1,081.43				1,827.16
Less : Tax Expense				130.38				442.98
Profit After Tax				951.05				1,384.18
Segment Assets	8,652.98	980.99	-	9,633.97	7,899.83	785.31	-	8,685.14
Un-allocated Assets				5,559.28				6,456.69
Total Assets				15,193.25				15,141.83
Segment Liabilities	1,882.49	146.61	-	2,029.10	2,005.15	263.63	-	2,268.78
Un-allocated Liabilities and Provisions				3,566.76				3,976.22
Total Liabilities				5,595.86				6,245.00
Depreciation and Amortization	1,219.84	171.84	-	1,391.68	852.77	46.63	-	899.40
Capital Expenditure	1,581.97	404.17	-	1,986.14	2,456.04	199.55	-	2,655.59
Significant Non -Cash Expenses other than Depreciation and Amortization	-	-	-	-	-	-	-	-

 $<sup>^*</sup> the \ figures \ of \ cement \ segment \ includes \ those \ of \ Autoclaved \ Aerated \ Concrete \ (AAC) \ Block \ business \ being \ a \ cement itious \ product.$ 

#### **Reconciliation of Assets:**

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Segment Assets	9,633.97	8,685.14
Investments (Current & Non-Current)	4,443.88	5,434.33
Cash and Cash Equivalents	35.00	51.70
Bank Balances other than Cash and Cash Equivalents	272.78	69.20
Derivative Financial Instruments	22.73	3.80
Fixed Deposits with Banks (maturity more than 12 months)	-	200.00
Interest Accrued on Bonds, Debentures and Deposits	58.02	74.27
Other Current Financial Assets – Others	3.47	10.06
Deferred Tax Assets (Net)	612.64	513.05
Non- Current Tax Assets (Net)	110.76	100.28
Total Assets	15,193.25	15,141.83

#### Reconciliation of Liabilities:

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Segment Liabilities	2,029.10	2,268.78
Borrowings (Current & Non-Current)	2,776.99	3,393.99
Current maturities of Long Term Debt & Lease Obligation	20.96	8.99
Interest Accrued but not Due on Borrowings	5.93	6.50
Security Deposits from Customers, Vendors & Others (Current & Non-Current)	601.51	499.96
Liabilities for Current Tax (Net)	22.25	22.25
Unpaid Dividends	3.88	3.74
Derivative Financial Instruments (Current & Non-Current)	135.24	40.79
Total Liabilities	5,595.86	6,245.00

#### B. Geographical information are given below:

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue from Operations		
Within India	11,648.93	10,037.97
Outside India (Cement and Clinker Sales)	73.07	121.56
Total	11,722.00	10,159.53

All the assets of the Company are within India.

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

#### 43 RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

#### Relationships:

#### (a) Parties where control exists:

Sr. No.	Name of the Related Party	Principal Place % Shareholding and of Business Voting Power		•
			As at 31.03.2019	As at 31.03.2018
(i)	Shree Global Pte. Ltd (Direct Subsidiary Company) - liquidated w.e.f. 11.03.2019	Singapore	-	100%
(ii)	Shree Global FZE (Direct Subsidiary Company) w.e.f 07.05.2018	U.A.E	100%	-
(iii)	Shree International Holding Ltd. (Indirect Subsidiary Company) w.e.f. 28.06.2018	U.A.E	100%	-
(iv)	Shree Enterprises Management Ltd. (Indirect Subsidiary Company) w.e.f. 19.06.2018	U.A.E	100% (Beneficially Owned)	-
(v)	Union Cement Company PJSC (Indirect Subsidiary Company) w.e.f. 11.07.2018	U.A.E	97.61%	-
(vi)	Union Cement Norcem Company Limited L.L.C. (Indirect Subsidiary Company) w.e.f 11.07.2018	U.A.E	60%	-
(vii)	Raipur Handling and Infrastructure Private Limited (Direct Subsidiary Company) w.e.f 14.05.2018	India	100%	-

## (b) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i)	The Kamla Company Limited	(x)	Didwana Investment Co. Ltd
(ii)	Shree Capital Services Ltd.	(xi)	Ragini Finance Limited
(iii)	Aqua Infra Project Limited	(xii)	Western India Commercial Co. Ltd
(iv)	Alfa Buildhome Pvt. Ltd.	(xiii)	Mannakrishna Investment Pvt. Ltd
(v)	Rajasthan Forum	(xiv)	Digvijay Finlease Limited
(vi)	The Bengal	(XV)	Asish Creations Private Limited
(vii)	Sant Parmanand Hospital	(xvi)	Didu Investments Pvt. Ltd
(viii)	N.B.I. Industrial Finance Company Limited	(xvii)	The Venktesh Company Limited
(ix)	Rajesh Vanijya Private Limited	(xviii)	Newa Investments Private Limited

#### (c) Key Management Personnel:

(i) Shri H. M. Bangur Managing Director
(ii) Shri Prashant Bangur Joint Managing Director

(iii) Shri P. N. Chhangani Whole Time Director (w.e.f. 30.07.2018)

## (d) Relatives to Key Management Personnel:

(i) Shri B. G. Bangur Father of Shri H. M. Bangur

#### (e) Post-Employment Benefit Plan Trust:

(i) Shree Cement Staff Provident Fund

(ii) Shree Cement Employees Group Gratuity Scheme

(iii) Shree Cement Ltd., Superannuation Scheme

#### **Disclosure of Related Party Transactions:**

#### (a) Details of transactions with related parties:

(₹ in Crore)

Particulars	2018-2019	2017-2018
Equity contribution		
Subsidiaries	2,099.31	-
Proceeds on Liquidation		
Subsidiaries	0.04	-
Sale of Goods/Material		
Subsidiaries	50.47	-
Entities controlled/ influenced by KMP	0.01	0.13
Services Received		
Subsidiaries	1.70	-
Entities controlled/ influenced by KMP	1.76	1.23
Payment of office rent		
Entities controlled/ influenced by KMP	2.77	2.60
Purchase of spare		
Entities controlled/ influenced by KMP	0.01	-
Contributions towards social activities		
Entities controlled/ influenced by KMP	0.69	0.85
Reimbursement towards purchase of equity shares of a subsidiary		
Entities controlled/ influenced by KMP	59.00	-
Reimbursement of expenses		
Subsidiaries	0.14	-
Entities controlled/ influenced by KMP	0.15	-
Security deposit given		
Entities controlled/ influenced by KMP	-	0.18

#### (b) Details of balances with related parties

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Security deposit receivable		
Entities controlled/influenced by KMP	0.63	0.63

#### (c) Key Management Personnel:

(₹ in Crore)

Particulars	2018-2019	2017-2018
Short Term Benefits	68.55	59.54
Post - Employment Benefits*	3.31	2.52
Total	71.86	62.06

<sup>\*</sup>As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

#### (d) Relatives to Key Management Personnel:

(₹ in Crore)

Particulars	2018-2019	2017-2018
Director Commission, Sitting Fee and Reimbursement of Expenses	0.46	0.38

#### (e) Refer note 40 for information on transactions with post-employment benefit plans.

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Company has not recorded any loss allowances for receivables relating to related parties.

#### 44 **EFFECTIVE TAX RECONCILIATION**

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

(₹ in Crore)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Profit Before Tax	1,081.43	1,827.16
Applicable Statutory Enacted Income Tax Rate	34.944%	34.608%
Computed Tax Expense	377.89	632.34
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(4.67)	(14.23)
Items (Net) not Deductible for Tax/not Liable to Tax	(229.17)	(189.93)
Tax losses Unutilized / Items Taxed at Different Rate	(5.17)	(13.44)
Tax Expense Relating to Earlier Years (Net)	(2.69)	0.30
Others	(5.81)	27.94
Income Tax Expense Reported	130.38	442.98

45 Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7- Statement of Cash flows are shown below:

(₹ in Crore)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Opening Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	3,384.73	1,270.34
Changes from Financing cash flows (excluding interest and dividend payment)	(759.14)	2,035.33
The effect of changes in foreign exchange rates	149.76	67.17
Others (includes new finance lease, finance charge thereon and amortization of transaction cost on borrowings)	2.84	11.89
Closing Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	2,778.19	3,384.73

#### 46 **CAPITAL MANAGEMENT**

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31.03.2019 compare to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity (net of deferred tax assets) and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

Particulars	As at 31.03.2019	As at 31.03.2018
Equity Share Capital	34.84	34.84
Other Equity (net of Deferred tax Assets)	8,949.91	8,348.94
Total Equity	8,984.75	8,383.78
Long Term Debt (Including Current Maturities)	2,330.00	2,217.12
Debt to Equity Ratio	0.26	0.26

#### 47 DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Crore)

Particulars	As at 3:	1.03.2019	As at 31.03.2018		
	Carrying Value	Fair Value	Carrying Value	Fair Value	
Financial Assets Classified at Fair Value Through Profit or Loss					
Investments in Mutual Funds and Preference Shares	487.90	487.90	3,124.54	3,124.54	
Derivatives not Designated as Hedges					
Forward Contracts	0.01	0.01	3.80	3.80	
Derivatives Designated as Hedges					
Cross Currency and Interest Rate Swaps	22.72	22.72	-	-	
Financial Assets Classified at Amortized Cost					
Investments in Bonds and Debentures	1,797.67	1,829.33	2,309.54	2,381.06	
Loans	61.52	61.52	56.58	56.58	
Trade Receivables	732.40	732.40	459.25	459.25	
Cash and Cash Equivalents and Other Bank Balances	307.78	307.78	120.90	120.90	
Other Financial Assets	101.44	101.44	289.19	296.34	
Total Financial Assets	3,511.44	3,543.10	6,363.80	6,442.47	
Financial Liabilities Classified at Fair Value Through Profit or Loss					
Derivatives not Designated as Hedges					
Forward Contracts	0.94	0.94	12.21	12.21	
Derivatives Designated as Hedges					
Cross Currency and Interest Rate Swaps	134.30	134.30	28.58	28.58	
Financial Liabilities Classified at Amortized Cost					
Non-Current Borrowings at Floating Rate	1,754.90	1,754.90	1,647.45	1,647.45	
Non-Current Borrowings at Fixed Rate	554.14	543.66	560.68	561.66	
Current Maturities of Long Term Debt	19.50	19.50	7.53	7.53	
Current Maturities of Finance Lease Obligation	1.46	1.46	1.46	1.46	
Short Term Borrowings	467.95	467.95	1,185.86	1,185.86	
Trade Payables	450.79	450.79	727.27	727.27	
Other Financial Liabilities	1,001.02	1,001.02	887.44	887.44	
Total Financial Liabilities	4,385.00	4,374.52	5,058.48	5,059.46	

#### Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.
- b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.
- c) The fair value of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivatives counterparties and believe them to be insignificant and not warranting a credit adjustment.
- d) The fair values of mutual funds are at published Net Asset Value (NAV).

#### Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consists mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e., unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial asset and financial liabilities grouped into Level 1 to Level 3 as described below:

#### Assets and Liabilities Measured at Fair Value (Accounted)

(₹ in Crore)

Particulars		As at 31.03.2019					
	Level 1	Level 2	Level 3	Total			
Financial Assets Measured at Fair Value							
Investments							
Mutual funds	261.85	-	-	261.85			
Preference Shares	-	226.05	-	226.05			
Derivatives not Designated as Hedges	-	0.01	-	0.01			
Derivatives Designated as Hedges	-	22.72	-	22.72			
Financial Liabilities Measured at Fair Value							
Derivatives not Designated as Hedges	-	0.94	-	0.94			
Derivatives Designated as Hedges	-	134.30	-	134.30			

(₹ in Crore)

Particulars	As at 31.03.2018					
	Level 1	Level 2	Level 3	Total		
Financial Assets Measured at Fair Value						
Investments						
Mutual funds	2,514.14	-	-	2,514.14		
Preference Shares	-	610.40	-	610.40		
Derivatives not Designated as Hedges	-	3.80	-	3.80		
Derivatives Designated as Hedges	-	-	-	-		
Financial Liabilities Measured at Fair Value						
Derivatives not Designated as Hedges	-	12.21	-	12.21		
Derivatives Designated as Hedges	-	28.58	-	28.58		

#### Fair Value of Assets and Liabilities Classified at Amortized Cost (only disclosed)

articulars As at 31.03.2019				
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	1,829.33	-	1,829.33
Loans	-	61.52	-	61.52
Other Financial Assets	-	101.44	-	101.44
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	543.66	-	543.66
Other Financial Liabilities	-	1,001.02	-	1,001.02

(₹ in Crore)

Particulars	As at 31.03.2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	2,381.06	-	2,381.06
Loans	-	56.58	-	56.58
Other Financial Assets	-	296.34	-	296.34
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	561.66	-	561.66
Other Financial Liabilities	-	887.44	-	887.44

During the year ended 31.03.2019 and 31.03.2018, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31.03.2019 and 31.03.2018, respectively:

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments - Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments - not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments - Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments - not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

#### Fair Value of Assets and Liabilities classified at Amortized Cost (only disclosed)

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets - Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities - Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

#### 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

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 senior management and the Audit and Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

 $The Board of Directors \, reviews \, and \, agrees \, policies \, for \, managing \, each \, of \, these \, risks \, which \, are \, summarized \, below.$ 

#### Market risk and sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at 31.03.2019 and 31.03.2018.

The sensitivity analyses excludes the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities exposes it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuation and interest rates. The Company has taken External Commercial Borrowings of USD 25 crore on 28.03.2018 for which there was no forward cover taken against the exposure of currency risk as on 31.03.2018. The Company has taken currency swaps for External Commercial Borrowings of USD 25 crore during the current year and designated as cash flow hedges.

#### Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations and Buyer's credit obligations with floating interest rates. There is no buyer's credit outstanding as at 31.03.2019.

The Company's policy is to manage its floating interest rate foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount.

The following table demonstrates the sensitivity to a reasonably possible changes in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Crore)

Particulars	Increase / Decrease in Basis Points	Effect on Profit Before Tax
31.03.2019		
US Dollar Borrowings	+50	-
	-50	-
31.03.2018		
US Dollar Borrowings	+50	(0.71)
	-50	0.71

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

#### Foreign currency risk and sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore exposed to foreign exchange risk. The Company uses cross currency swaps and forward currency contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

The following tables demonstrates the sensitivity in the USD, JPY, EURO, GBP and CHF to the Indian Rupee with all other variable held constant.

#### For the Year ended 31.03.2019

Particulars	Effect on Profit Before Tax (₹ in crore)				
	USD	JPY	EURO	GBP	CHF
Change in Currency Exchange Rate					
+5%	(2.14)	0.70	0.30	(0.01)	0.05
-5%	2.14	(0.70)	(0.30)	0.01	(0.05)

#### For the Year ended 31.03.2018

Particulars	Effect on Profit Before Tax (₹ in crore)				
	USD JPY EURO GBP				
Change in Currency Exchange Rate					
+5%	(98.13)	1.79	0.12	(0.01)	0.14
-5%	98.13	(1.79)	(0.12)	0.01	(0.14)

 $The \, assumed \, movement \, in \, exchange \, rate \, sensitivity \, analysis \, is \, based \, on \, the \, currently \, observable \, market \, environment.$ 

#### Credit risk

Credit risk is the risk that the counter party will not meet its obligation 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 investing activities including deposits with banks, mutual funds and other financial instruments.

#### Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers which mitigate the credit risk to an extent.

The ageing of trade receivables are as below:

(₹ in Crore)

Particulars	Neither Due nor Impaired		Total		
		Up to 6 months	6 to 12 months	Above 12 months	
Trade Receivables					
As at 31.03.2019					
Secured	298.82	64.06	4.08	0.91	367.87
Unsecured	243.25	96.32	18.71	7.72	366.00
Gross Total	542.07	160.38	22.79	8.63	733.87
Allowance for doubtful trade receivables	-	0.23	0.46	0.78	1.47
Net Total	542.07	160.15	22.33	7.85	732.40
As at 31.03.2018					
Secured	222.02	47.85	3.32	0.80	273.99
Unsecured	142.63	36.09	0.56	6.88	186.16
Gross Total	364.65	83.94	3.88	7.68	460.15
Allowance for doubtful trade receivables	-	0.04	0.32	0.54	0.90
Net Total	364.65	83.90	3.56	7.14	459.25

#### Movement in Allowance for Doubtful Trade Receivables are given below:

(₹ in Crore)

Particulars	2018-2019	2017-2018
Opening Balance	0.90	0.47
Add: Provision made during the year (Refer note 32)	0.57	0.43
Less: Utilized during the year	-	-
Closing Balance	1.47	0.90

#### Financial Instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹3,511.44 crore as at 31.03.2019 and ₹6,363.80 crore as at 31.03.2018, which is the carrying amounts of cash and cash equivalents, other bank balances, investments (other than equity investments in subsidiary), trade receivables, loans and other financial assets.

#### Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

As at 31.03.2019 (₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	487.45	2,120.31	192.14	2,799.90
Finance Lease Obligation	1.52	6.08	1.37	8.97
Trade Payables	450.79	-	-	450.79
Derivative Financial Instruments	0.94	119.23	15.07	135.24
Other Financial Liabilities	401.13	599.89	-	1,001.02
Total	1,341.83	2,845.51	208.58	4,395.92

As at 31.03.2018

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	1,193.39	1,364.78	849.19	3,407.36
Finance Lease Obligation	1.52	6.08	2.88	10.48
Trade Payables	727.27	-	-	727.27
Derivative Financial Instruments	12.21	14.09	14.49	40.79
Other Financial Liabilities	390.47	496.97	-	887.44
Total	2,324.86	1,881.92	866.56	5,073.34

#### 49. DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instruments outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31.03.2019	As at 31.03.2018
Forward Contracts	Buyers Credit	USD	-	15.65
		USD	0.01	0.28
Ir		JPY	22.08	56.84
		EURO	0.08	0.03
		CHF	0.01	0.04
Cross Currency & Interest Rate Swaps	ECB	USD	8.00	8.00
E		SGD	9.81	9.81
Interest Rate Swaps	ECB	USD	17.50	17.50
Cross currency swaps	ECB	USD	25.00	-

#### Cross Currency & Interest Rate Swaps and Interest Rate Swaps

The objective of cross currency & interest rate swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company is following hedge accounting for cross currency & interest rate swaps and interest rate swaps based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

- i. An economic relationship between the hedged item and the hedging instrument
- ii. The effect of credit risk
- iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 20 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above swaps are as under:

Particulars	As at 31.03.2019		As at 31.03.2018	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swap	22.72	134.30	-	28.58

The movement of Effective Portion of Cash Flow Hedges are shown below:

(₹ in Crore)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Opening Balance	(13.67)	(10.52)
Gain/(loss) recognized on cash flow hedges	(164.59)	(35.37)
Income tax relating to gain/(loss) recognized on cash flow hedges	57.52	12.36
Reclassified to Statement of Profit and Loss #	129.54	30.45
Income tax relating to Reclassified to Statement of Profit and Loss	(45.27)	(10.64)
Effect of change in tax rate	-	0.05
Closing Balance	(36.47)	(13.67)

#₹48.69 crore (Previous year ₹ (0.54) crore) to Foreign Exchange Rate Differences and ₹80.85 crore (Previous Year ₹30.99 crore) to Finance Cost.

#### **Foreign Currency Forward Contracts**

The Company has taken buyers' credit. These buyers' credit are denominated in foreign currency. In order to protect itself from volatility in exchange rate, the Company enters into forward contract to buy notional foreign currency on each payment date as agreed in the loan contract. The Company also enters into other forward contracts with intention to reduce the foreign exchange risk of expected purchases. There is no buyer's credit outstanding as at 31.03.2019.

The foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

#### The fair value of foreign currency forward contracts are as under:

(₹ in Crore)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	0.01	0.94	3.80	12.21

The gain/ (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognized in the statement of profit and loss is  $\stackrel{?}{_{\sim}} 9.33$  crore for the year ended 31.03.2019 ( $\stackrel{?}{_{\sim}} 5.95$  crore for the year ended 31.03.2018)

#### 50. COLLATERALS

Inventory, Trade Receivables, Other Financial Assets, Property, Plant and Equipment are pledged / hypothecated as collateral / security against the borrowings. Refer Note 20 and 24.

#### 51. EARNINGS PER SHARE (EPS)

#### A. Basic and Diluted EPS:

Particulars		2018-2019	2017-2018
Profit or Loss attributable to ordinary Equity shareholders	₹ in crore	951.05	1,384.18
Equity Share Capital	₹ in crore	34.84	34.84
Weighted average number of equity shares outstanding (Face value of ₹ 10/- per share)	Nos.	3,48,37,225	3,48,37,225
Earnings Per Share - Basic and Diluted	₹	273.00	397.33

**B.** Cash EPS: (Profit for the year + Depreciation and Amortisation Expense + Deferred Tax + Exceptional Items)/Weighted average number of equity shares outstanding.

- **52.** Previous year figures have been regrouped and rearranged wherever necessary.
- **53.** 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 crore.

#### 54. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend proposed to be distributed

(₹ in Crore)

Particulars	As at 31.03.2019 (Note 1 below)	As at 31.03.2018 (Note 2 below)
Dividend Proposed for Equity Shareholders	121.93	104.51
Dividend Tax	25.06	21.48
Total	146.99	125.99

Note 1: ₹ 35 per share for FY 2018-2019 Note 2: ₹ 30 per share for FY 2017-2018

55. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crore)

Sr. No.	Particulars	As at 31.03.2019	As at 31.03.2018
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	2.11	7.50
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	2.11	7.50
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

#### 56. LEASES

#### (a) Finance Lease (Land) - Company as lessee

(₹ in Crore)

Particulars	As at 31.03.2019			As at 31.03.2018		
	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments		
Within One year	1.52	1.46	1.52	1.46		
After one year but not more than five years	6.08	4.72	6.08	4.86		
More than five years	1.37	0.84	2.88	1.59		
Total minimum lease payments	8.97	7.02	10.48	7.91		
Less: Amounts representing finance charges	1.95		2.57			
Present Value of Minimum Lease payments	7.02		7.91			

#### (b) Operating Leases - Company as lessee

The Company has taken various residential premises, office premises and warehouses under operating lease agreements. These are cancellable and are renewable by mutual consent on mutually agreed terms.

Signature to Note 1 to 56

As per our report of even date

For **Gupta & Dua**Chartered Accountants
Firm's Registration No. 003849N

**Mukesh Dua** Partner Membership No. 085323

Place : Kolkata
Date : 18<sup>th</sup> May, 2019

For and on behalf of the Board

**B. G. Bangur** Chairman DIN: 00244196

**S. S. Khandelwal** Company Secretary

**Subhash Jajoo**Chief Finance Officer

**H. M. Bangur**Managing Director

Prashant Bangur

Joint Managing Director

DIN: 00244329 DIN: 00403621

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee

DIN: 00244443

## INDEPENDENT AUDITORS' REPORT

#### TO THE MEMBERS OF SHREE CEMENT LIMITED

## Report on the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Shree Cement Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2019, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our

audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

## Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

# Auditors' Responsibility for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that

are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- We did not audit the financial statements of six subsidiaries, whose financial reflect total assets of ₹ 2,406.40 crore as at 31<sup>st</sup> March, 2019, total revenues of ₹ 832.65 crore and net cash flows amounting to ₹ (30.51) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 58.62 crore for the year ended 31<sup>st</sup> March, 2019, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b) We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of ₹ nil as at 31<sup>st</sup> March, 2019, total revenues of ₹ Nil and net cash flows amounting to ₹ (0.03) crore for the year ended on that date, Group's share of net loss of ₹ 0.03 crore as considered in the consolidated

financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Certain of these subsidiaries are located outside India whose 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 of such subsidiaries 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 Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements above, 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 report of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

- 1. As required by section 143(3) of the Act, to the extent applicable, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the

- Consolidated Cash Flow Statement and the Consolidated Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2019 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2019, 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 'A'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) with respect to the other matters to be included in the Auditors' 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:
  - The consolidated financial statement discloses the impact of pending litigations on the consolidated financial position of the Group. Refer Note 34 to the consolidated financial statements;
  - ii. The Group did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

Place: Kolkata Date: 18<sup>th</sup> May, 2019

**Mukesh Dua** Partner Membership No. 085323

#### Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 1(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

# 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 financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2019, we have audited the internal financial controls over financial reporting of Shree Cement Limited hereinafter referred to as ("the Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

# Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary company, 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 respective Companies 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 ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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 the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over

financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

# 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, 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 March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies 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.

#### 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 one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

> For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

Place: Kolkata Date: 18<sup>th</sup> May, 2019

**Mukesh Dua**Partner
Membership No. 085323

### CONSOLIDATED BALANCE SHEET as at 31st March, 2019

(₹ in Crore)

Non-Current Assets				(111 61016
Non-Current Assets	No	tes		As at 31.03.2018
Property, Plant and Equipment				
Capital Work-in-Progress         37         1,29,45           Intangible Assets         8         46.49           Financial Assets         9         2,252.89           Investments         9         2,252.89           Loans         10         53.13           Other Financial Assets         11         27.85           Deferred Tax Assets (Net)         12         61.26.4           Non-Current Tax Assets (Net)         111.01         00           Other Non-Current Assets         13         405.21           Investments         14         1,870.31           Financial Assets         15         32.74           Investments         15         32.74           Trade Receivables         16         1,023.71           Investments         16         1,023.71           Trade Receivables         16         1,023.71           Loans         17         142.20           Bank Balances other than Cash and Cash Equivalents         18         297.09           Loans         10         9.80           Other Financial Assets         11         106.75           Other Financial Assets         13         1,236.62           Equity Share Capital				
Intangible Assets				3,577.11
Financial Assets   9		37	1,129.45	1,427.15
Investments	e Assets	8	46.49	12.07
Loans	Assets			
Loans	estments	9	2.252.89	3.123.04
Other Financial Assets         11         27.85           Deferred Tax Assets (Net)         12         612.64           Non-Current Tax Assets (Net)         111.01           Other Non-Current Assets         13         405.21           Inventories         14         1,870.31           Financial Assets         14         1,870.31           Investments         15         32.74           Trade Receivables         16         1,023.71           Cash and Cash Equivalents         17         142.20           Bank Balances other than Cash and Cash Equivalents         18         297.09           Loans         10         9.80           Other Financial Assets         11         106.75           Other Current Assets         13         1,236.62           Equity Current Assets         15,493.05         15,493.05           EQUITY AND LIABILITIES         15,493.05         15,493.05           Equity         Share Capital         9.635.91         19         34.84           Other Equity         9.635.91         19         34.84         19         19         34.84           Equity Share Capital         19         3.59.70.75         19         19         36.59.91         19	ns 1	.0		48.81
Deferred Tax Assets (Net)         12         612.64           Non-Current Tax Assets (Net)         111.01           Other Non-Current Assets         13         405.21           Current Assets         10,773.83           Inventories         14         1,870.31           Financial Assets         15         32.74           Investments         15         32.74           Trade Receivables         16         1,023.71           Cash and Cash Equivalents         17         142.20           Bank Balances other than Cash and Cash Equivalents         18         297.09           Loans         10         9.80           Other Financial Assets         11         106.75           Cother Current Assets         13         1.236.62           Equity         4,719.22         4,719.22           Equity         9,635.91         4,719.22           Equity         9,635.91         9,635.91           Yother Equity         9,635.91         9,733.23           Use of Equity         9,635.91         9,733.23           Use of Equity Attributable to Owners of the Company         9,670.75         9,62.48           Non-Current Liabilities         9,733.23         1,734.20				200.00
Non-Current Tax Assets (Net)				513.05
Other Non-Current Assets         13         405.21 to 773.83           Current Assets         10,773.83           Investmories         14         1,870.31           Financial Assets         15         32,74           Investments         15         32,74           Trade Receivables         16         1,023.71           Cash and Cash Equivalents         18         297.09           Bank Balances other than Cash and Cash Equivalents         18         297.09           Loans         10         9,80           Other Financial Assets         11         106.75           Other Current Assets         13         1,236.62           4,719.22         4,719.22           Total Assets         15,493.05           Equity         5         4,719.22           Equity Share Capital         9         9,635.91           Total Equity Attributable to Owners of the Company         9,635.91           Total Equity Attributable to Owners of the Company         9,635.91           Total Equity Attributable to Owners of the Company         9,635.91           Non-Current Liabilities         9,733.23           LIABILITIES         Total Equity         9,733.23           UABILITIES         10         2,309.0		. 2		100.28
Current Assets   Inventories   14   1,870.31		2		439.91
Inventories	MI-CUITEIIL ASSELS 1	. 3		
Inventories			10,773.83	9,441.42
Financial Assets				
Investments		.4	1,870.31	1,569.02
Trade Receivables				
Cash and Cash Equivalents       17       142.20         Bank Balances other than Cash and Cash Equivalents       18       297.09         Loans       10       9.80         Other Financial Assets       11       106.75         Other Current Assets       13       1.236.62         4,719.22       4,719.22         Total Assets       15,493.05         EQUITY AND LIABILITIES         Equity         Equity Share Capital       19       34.84         Other Equity       9.635.91         Total Equity Attributable to Owners of the Company       9,635.91         Total Equity Attributable to Owners of the Company       9,635.91         Total Equity Attributable to Owners of the Company       9,635.91         Total Equity Attributable to Owners of the Company       9,635.91         Total Equity Attributable to Owners of the Company       9,635.91         Total Equity Attributable to Owners of the Company       9,635.91         Total Equity Attributable to Owners of the Company       9,635.91         Other Financial Liabilities (Net)       20       2,309.04         Other Financial Liabilities (Net)       25       4,72.67<	estments 1	.5	32.74	2,311.04
Bank Balances other than Cash and Cash Equivalents         18         297.09           Loans         10         9.80           Other Financial Assets         11         106.75           Other Current Assets         13         1,236.62           4,719.22         4,719.22           Total Assets         15,493.05           Equity           Equity Share Capital         19         34.84           Other Equity         9,635.91         70 (2.48)           Total Equity Attributable to Owners of the Company         9,670.75         Non Controlling Interest         62.48           Total Equity         9,733.23           LIABILITIES           Non-Current Liabilities         20         2,309.04           Financial Liabilities         21         734.20           Deferred Tax Liabilities (Net)         22         0.25           Provisions         23         32.02           Other Non-Current Liabilities         24         557.73           Financial Liabilities         24         557.73           Financial Liabilities         25         472.67           Trade Payables           Total Outstanding Dues of Mic	de Receivables 1	.6	1,023.71	459.25
Loans	h and Cash Equivalents	.7	142.20	51.77
Loans	k Balances other than Cash and Cash Equivalents 1	8	297.09	69.20
Other Financial Assets         11         106.75           Other Current Assets         13         1,236.62           4,719.22         15,493.05           EQUITY AND LIABILITIES           Equity         19         34.84           Other Equity         9,635.91         19         34.84           Other Equity Attributable to Owners of the Company         9,670.75         Non Controlling Interest         9,670.75         9,670.75         Non Controlling Interest         9,733.23         USA         10         1,733.23         1,733.23         1,733.23         1,734.20         1,7				7.79
Other Current Assets         13         1,236.62           Total Assets         4,719.22           EQUITY AND LIABILITIES           Equity         Equity Share Capital         19         34.84           Other Equity         9,635.91         7 total Equity Attributable to Owners of the Company         9,670.75           Non Controlling Interest         62.48         9,733.23           LIABILITIES         9,733.23         1 Total Equity         9,733.23           Non-Current Liabilities         9         2,309.04         1 Total Equity         2,309.04         1 Total Equity         2,309.04         1 Total Custandial Liabilities (Net)         22         0,25         1 Total Custandial Liabilities (Net)         22         0,25         1 Total Custanding Dues of Micro Enterprises and Small Enterprises         23         3,633.24         2 Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises and Small Enterprises of Chef Current Liabilities         25         472.67         36.08         2 Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises         21         462.52         462.498         20         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658         2.72.658 <td>· · ·</td> <td></td> <td></td> <td>92.99</td>	· · ·			92.99
Total Assets   15,493.05				1,139.19
EQUITY AND LIABILITIES  Equity  Equity Share Capital 19 34.84  Other Equity Attributable to Owners of the Company 9,670.75  Non Controlling Interest 62.48  Total Equity Attributable to Owners of the Company 9,733.23  LIABILITIES  Non-Current Liabilities  Financial Liabilities  Borrowings 20 2,309.04  Other Financial Liabilities 21 734.20  Deferred Tax Liabilities (Net) 22 0.25  Provisions 23 32.02  Other Non-Current Liabilities 24 557.73  Current Liabilities  Financial Liabilities  Financial Liabilities  Other Financial Liabilities 21 734.20  Other Non-Current Liabilities 21 734.20  Other Financial Liabilities 21 734.20  Other Current Liabilities 31 734.20  Other Current 11 734.20  Other Current 11 734.20  Other Current 11 734.20  Other Current 11 734.	THEFIT ASSETS 1	. 3		5,700.25
Equity AND LIABILITIES Equity Share Capital Other Equity Total Equity Attributable to Owners of the Company Non Controlling Interest Total Equity  LIABILITIES Non-Current Liabilities Financial Liabilities Borrowings Other Financial Liabilities Provisions Current Liabilities  Equity  Current Liabilities  Borrowings 20 2,309,04 0 ther Financial Liabilities 21 734,20 0 Eferred Tax Liabilities (Net) 22 0,25 Provisions 23 32,02 0 Other Non-Current Liabilities 24 557,73  Current Liabilities  Borrowings 25 472,67 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises Other Financial Liabilities  Enterprises and Small Enterprises Other Financial Liabilities Other Financial Liabilities  Other Financial Liabilities  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities  Other Financial Liabilities 21 462,52 Other Current Liabilities 24 624,98 Provisions 23 5,97 Current Tax Liabilities (Net) 15,493,05	T-1-1 A1-			<u> </u>
Equity Share Capital 19 34.84 Other Equity 9,635.91 Total Equity Attributable to Owners of the Company 9,670.75 Non Controlling Interest 62.48  Total Equity 9,733.23  LIABILITIES Non-Current Liabilities Financial Liabilities Borrowings 20 2,309.04 Other Financial Liabilities 21 734.20 Deferred Tax Liabilities (Net) 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities Financial Liabilities 24 557.73  Current Liabilities  Borrowings 25 472.67 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises Other Financial Liabilities 21 462.52 Other Current Liabilities 21 59.97 Current Tax Liabilities 22 59.97 Current Tax Liabilities 22 59.97 Current Tax Liabilities (Net) 22.25  Total Equity and Liabilities			15,493.05	15,141.67
Equity Share Capital         19         34.84           Other Equity         9,635.91         70.635.91           Total Equity Attributable to Owners of the Company         9,670.75         62.48           Total Equity         9,733.23           LIABILITIES           Non-Current Liabilities           Borrowings         20         2,309.04           Other Financial Liabilities         21         734.20           Deferred Tax Liabilities (Net)         22         0.25           Provisions         23         32.02           Other Non-Current Liabilities         24         557.73           Financial Liabilities           Financial Liabilities         25         472.67           Trade Payables         25         472.67           Total Outstanding Dues of Micro Enterprises and Small Enterprises         60         2.11           Total Outstanding Dues of Creditors other than Micro         536.08           Enterprises and Small Enterprises         21         462.52           Other Financial Liabilities         21         462.52           Other Financial Liabilities         24         624.98           Provisions         23         5.97           Current Tax L	AND LIABILITIES			
Other Equity Total Equity Attributable to Owners of the Company Non Controlling Interest  Total Equity  1754 Equity 19,670.75 Non Controlling Interest  Total Equity 9,733.23  LIABILITIES Non-Current Liabilities Financial Liabilities Borrowings 20 2,309.04 Other Financial Liabilities 21 734.20 Deferred Tax Liabilities (Net) 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities 24 557.73 Total Current Liabilities Financial Liabilities Financial Liabilities Financial Liabilities Financial Liabilities Total Outstanding Dues of Micro Enterprises and Small Enterprises Other Financial Liabilities Other Financial Liabilities Other Financial Liabilities Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities Other Financial Liabilities Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities Other Current Liabilities Total Equity and Liabilities Total Equity and Liabilities 15,493.05				
Total Equity Attributable to Owners of the Company Non Controlling Interest  Total Equity 9,670.75  Non Controlling Interest Total Equity 9,733.23  LIABILITIES Non-Current Liabilities Financial Liabilities Borrowings 20 2,309.04 Other Financial Liabilities 21 734.20 Deferred Tax Liabilities (Net) 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities 24 557.73 Current Liabilities Financial Liabilities Borrowings 7 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises Borrowings 25 472.67 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises Other Financial Liabilities Other Financial Liabilities 10 462.52 Other Current Liabilities 11 462.52 Other Current Liabilities 24 624.98 Provisions 23 5.97 Current Tax Liabilities (Net) 22.25 Lagrant State of Cardious and Small Enterprises 24 624.98 Total Equity and Liabilities	ity Share Capital 1	.9	34.84	34.84
Non Controlling Interest  Total Equity 9,733.23  LIABILITIES Non-Current Liabilities Financial Liabilities Borrowings 20 2,309.04 Other Financial Liabilities Deferred Tax Liabilities 21 734.20 Deferred Tax Liabilities 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities 24 557.73  Current Liabilities Financial Liabilities Borrowings 25 472.67 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises 60 2.11 Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities 21 462.52 Other Current Liabilities 21 462.52 Other Current Liabilities 21 5.97 Current Tax Liabilities 21 5.97 Current Tax Liabilities 22 5.2,126.58 Total Equity and Liabilities 15,493.05	er Equity		9,635.91	8,861.82
Non Controlling Interest  Total Equity 9,733.23  LIABILITIES Non-Current Liabilities Financial Liabilities Borrowings 20 2,309.04 Other Financial Liabilities Deferred Tax Liabilities 21 734.20 Deferred Tax Liabilities 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities 24 557.73  Current Liabilities Financial Liabilities Borrowings 25 472.67 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises 60 2.11 Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities 21 462.52 Other Current Liabilities 21 462.52 Other Current Liabilities 21 5.97 Current Tax Liabilities 21 5.97 Current Tax Liabilities 22 5.2,126.58 Total Equity and Liabilities 15,493.05	al Equity Attributable to Owners of the Company		9.670.75	8,896.66
Total Equity9,733.23LIABILITIESNon-Current Liabilities9Financial Liabilities202,309.04Borrowings202,309.04Other Financial Liabilities (Net)21734.20Deferred Tax Liabilities (Net)220.25Provisions2332.02Other Non-Current Liabilities24557.73Financial Liabilities3,633.24Financial Liabilities25472.67Trade Payables25472.67Total Outstanding Dues of Micro Enterprises and Small Enterprises602.11Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises536.08Other Financial Liabilities21462.52Other Current Liabilities24624.98Provisions235.97Current Tax Liabilities (Net)22.25Total Equity and Liabilities15,493.05			62.48	-
Non-Current Liabilities Financial Liabilities Borrowings 20 2,309.04 Other Financial Liabilities 21 734.20 Deferred Tax Liabilities (Net) 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities 24 557.73 Total Cutstanding Dues of Micro Enterprises and Small Enterprises 30 Enterprises and Small Enterprises 31 Other Financial Liabilities 32 Other Financial Liabilities 33 Total Outstanding Dues of Creditors other than Micro 536.08 Enterprises and Small Enterprises 32 Other Financial Liabilities 32 Other Current Tax Liabilities (Net) 32 Other State 32 Other	,			8,896.66
Non-Current LiabilitiesFinancial Liabilities202,309.04Borrowings202,309.04Other Financial Liabilities21734.20Deferred Tax Liabilities (Net)220.25Provisions2332.02Other Non-Current Liabilities24557.73Financial Liabilities3,633.24Borrowings25472.67Trade Payables25472.67Total Outstanding Dues of Micro Enterprises and Small Enterprises602.11Total Outstanding Dues of Creditors other than Micro536.08Enterprises and Small Enterprises602.11Other Financial Liabilities21462.52Other Current Liabilities21462.52Other Current Liabilities (Net)235.97Current Tax Liabilities (Net)22.25Lorrent Tax Liabilities (Net)22.25Total Equity and Liabilities15,493.05			5,7 55.25	0,030.00
Financial Liabilities  Borrowings 20 2,309.04  Other Financial Liabilities 21 734.20  Deferred Tax Liabilities (Net) 22 0.25  Provisions 23 32.02  Other Non-Current Liabilities 24 557.73  Total Current Liabilities  Borrowings 25 472.67  Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises Enterprises and Small Enterprises Other Financial Liabilities  Other Financial Liabilities  Other Financial Liabilities  Other Financial Liabilities  Other Current Liabilities  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities 21 462.52  Other Current Liabilities 22 5.97  Current Tax Liabilities (Net) 22.25  Total Equity and Liabilities 15,493.05				
Borrowings         20         2,309.04           Other Financial Liabilities         21         734.20           Deferred Tax Liabilities (Net)         22         0.25           Provisions         23         32.02           Other Non-Current Liabilities         24         557.73           Other Non-Current Liabilities         24         557.73           Financial Liabilities         25         472.67           Trade Payables         25         472.67           Trade Payables         60         2.11           Total Outstanding Dues of Micro Enterprises and Small Enterprises         60         2.11           Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises         536.08         21           Other Financial Liabilities         21         462.52           Other Current Liabilities         24         624.98           Provisions         23         5.97           Current Tax Liabilities (Net)         22.25           Total Equity and Liabilities         15,493.05				
Other Financial Liabilities 21 734.20 Deferred Tax Liabilities (Net) 22 0.25 Provisions 23 32.02 Other Non-Current Liabilities 24 557.73  Current Liabilities 557.73  Current Liabilities 577.73  Current Liabilities 577.73  Trade Payables 577.73  Total Outstanding Dues of Micro Enterprises and Small Enterprises 577  Total Outstanding Dues of Creditors other than Micro 577  Enterprises and Small Enterprises 577  Other Financial Liabilities 21 462.52 Other Current Liabilities 24 624.98 Provisions 23 5.97 Current Tax Liabilities (Net) 22.25  Total Equity and Liabilities 15,493.05				
Deferred Tax Liabilities (Net)         22         0.25           Provisions         23         32.02           Other Non-Current Liabilities         24         557.73           Current Liabilities           Financial Liabilities         25         472.67           Borrowings         25         472.67           Trade Payables         60         2.11           Total Outstanding Dues of Micro Enterprises and Small Enterprises         60         2.11           Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises         21         462.52           Other Financial Liabilities         21         462.52           Other Current Liabilities         24         624.98           Provisions         23         5.97           Current Tax Liabilities (Net)         22.25           Z,126.58         2,126.58				2,208.13
Provisions         23         32.02           Other Non-Current Liabilities         24         557.73           Current Liabilities           Financial Liabilities				525.55
Other Non-Current Liabilities24557.733,633.24Current LiabilitiesFinancial Liabilities25472.67Borrowings25472.67Trade Payables602.11Total Outstanding Dues of Micro Enterprises and Small Enterprises602.11Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises536.08Other Financial Liabilities21462.52Other Current Liabilities24624.98Provisions235.97Current Tax Liabilities (Net)22.25Total Equity and Liabilities15,493.05	Tax Liabilities (Net) 2	22		-
Current Liabilities Financial Liabilities  Borrowings Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities Other Current Liabilities Provisions Current Tax Liabilities (Net)  Total Equity and Liabilities 3,633.24  472.67  472.67  60 2.11  536.08  211 462.52  24 624.98  25 472.67  212 462.52  24 624.98  25 472.67  26 2.11  27 26 2.52  28 5.97  28 2.126.58		23		7.61
Current Liabilities Financial Liabilities  Borrowings Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities Other Current Liabilities 21 462.52 Other Current Liabilities 22 4 624.98 Provisions Current Tax Liabilities (Net) 22.25 Total Equity and Liabilities 15,493.05	on-Current Liabilities 2	24	557.73	536.57
Financial Liabilities  Borrowings 25 472.67  Trade Payables  Total Outstanding Dues of Micro Enterprises and Small Enterprises 60 2.11  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises and Small Enterprises and Small Enterprises and Small Enterprises 21 462.52  Other Financial Liabilities 21 462.52  Other Current Liabilities 24 624.98  Provisions 23 5.97  Current Tax Liabilities (Net) 22.25  Total Equity and Liabilities 15,493.05				3,277.86
Financial Liabilities  Borrowings 25 472.67  Trade Payables  Total Outstanding Dues of Micro Enterprises and Small Enterprises 60 2.11  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises and Small Enterprises and Small Enterprises of Cher Financial Liabilities 21 462.52  Other Current Liabilities 24 624.98  Provisions 23 5.97  Current Tax Liabilities (Net) 22.25  Total Equity and Liabilities 15,493.05	Liabilities		.,	
Borrowings 25 472.67 Trade Payables Total Outstanding Dues of Micro Enterprises and Small Enterprises 60 2.11 Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities 21 462.52 Other Current Liabilities 24 624.98 Provisions 23 5.97 Current Tax Liabilities (Net) 22.25 Total Equity and Liabilities 15,493.05				
Trade Payables  Total Outstanding Dues of Micro Enterprises and Small Enterprises  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises  Other Financial Liabilities  21 462.52 Other Current Liabilities 24 624.98 Provisions 23 5.97 Current Tax Liabilities (Net)  22.25  Total Equity and Liabilities  15,493.05		25	172.67	1,185.86
Total Outstanding Dues of Micro Enterprises and Small Enterprises  Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises  Other Financial Liabilities  21 462.52 Other Current Liabilities 24 624.98 Provisions 23 5.97 Current Tax Liabilities (Net)  22.25  Total Equity and Liabilities  60 2.11  462.52  21 462.52  22 25  23 5.97  21 22.25  22.25  23 5.97		.5	4/2.0/	1,100.00
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises  Other Financial Liabilities 21 462.52 Other Current Liabilities 22 624,98 Provisions 23 5.97 Current Tax Liabilities (Net) 22.25  Total Equity and Liabilities 15,493.05		- 0	2.11	7.50
Enterprises and Śmall Enterprises         Other Financial Liabilities       21       462.52         Other Current Liabilities       24       624.98         Provisions       23       5.97         Current Tax Liabilities (Net)       22.25         Total Equity and Liabilities       15,493.05		50		7.50
Other Financial Liabilities         21         462.52           Other Current Liabilities         24         624.98           Provisions         23         5.97           Current Tax Liabilities (Net)         22.25           Total Equity and Liabilities         15,493.05			536.08	719.78
Other Current Liabilities         24         624.98           Provisions         23         5.97           Current Tax Liabilities (Net)         22.25           Total Equity and Liabilities         15,493.05				
Provisions         23         5.97           Current Tax Liabilities (Net)         22.25           2,126.58         2,126.58           Total Equity and Liabilities         15,493.05				411.67
Current Tax Liabilities (Net)  22.25  2,126.58  Total Equity and Liabilities  15,493.05				619.15
Current Tax Liabilities (Net)  22.25  2,126.58  Total Equity and Liabilities  15,493.05		23	5.97	0.94
2,126.58  Total Equity and Liabilities  15,493.05	Fax Liabilities (Net)		22.25	22.25
Total Equity and Liabilities 15,493.05				2,967.15
	Total Fouity and Liabilities		<u> </u>	15,141.67
Significant Accounting Policies 5		5	10,455.05	15/1-1.0/

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date  $% \left( 1\right) =\left( 1\right) \left( 1\right) \left$ 

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

**Mukesh Dua** Partner Membership No. 085323

Place : Kolkata Date : 18<sup>th</sup> May, 2019 For and on behalf of the Board

**B. G. Bangur** Chairman DIN: 00244196

**S. S. Khandelwal** Company Secretary

**H. M. Bangur** Managing Director DIN: 00244329 **Prashant Bangur**Joint Managing Director
DIN: 00403621

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee

DIN: 00244443

**Subhash Jajoo** Chief Finance Officer

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31<sup>st</sup> March, 2019

(₹ in Crore)

			_
	Notes	For the Year	For the Year
		ended 31.03.2019	ended 31.03.2018
Revenue from Operations	26	12,554.65	10,159.53
Other Income	27	249.76	389.05
Total Income		12,804.41	10,548.58
EXPENSES			
Cost of Materials Consumed	28	1,029.74	769.06
Purchases of Stock in Trade		25.64	-
Changes in Inventories of Finished Goods and Work-in-Progress	29	(39.94)	1.29
Excise Duty on Sales		-	326.43
Employee Benefits Expense	30	767.18	588.05
Power and Fuel		3,092.63	1,979.65
Freight and Forwarding Expenses	31	2,903.37	2,524.89
Finance Costs	32	247.86	135.27
Depreciation and Amortisation Expense	7 & 8	1,471.81	899.40
Other Expenses	33	2,020.29	1,553.67
		11,518.58	8,777.71
Captive Consumption of Cement		(37.94)	(56.26)
(Previous year Net of Excise Duty ₹1.86 crore)		(37.31)	(30.20)
Total Expenses		11,480.64	8,721.45
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		1,323.77	1,827.13
Exceptional Items	36	178.13	1,027.13
PROFIT BEFORE TAX			1 027 12
		1,145.64	1,827.13
Tax Expense	47		
Current Tax		220.56	446.27
Tax Expense Relating to Earlier Years (Net)		(2.69)	0.30
Deferred Tax (Credit) / Charge		(87.28)	(3.59)
		130.59	442.98
PROFIT FOR THE YEAR		1,015.05	1,384.15
Profit Attributable to:			
Owners of the Company		1,006.39	1,384.15
Non Controlling Interest		8.66	-
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss- Re-measurements of the Defined Benefit Plans	43(b)	5.54	3.27
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(1.76)	(1.13)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedge and		(28.10)	(4.92)
Exchange Differences on Translation of Foreign Operation			
Income Tax relating to Items that will be Reclassified to Profit or Loss		12.25	1.77
		(12.07)	(1.01)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,002.98	1,383.14
(Comprising Profit & Other Comprehensive Income for the Year)		••••	,
Other Comprehensive Income Attributable to:			
Owners of the Company		(12.16)	(1.01)
Non Controlling Interest		0.09	(1.01)
Non controlling interest		(12.07)	(1.01)
Total Comprehensive Income Attributable to:		(12.07)	(1.01)
Owners of the Company		994.23	1,383.14
Non Controlling Interest		8.75	1,303.14
Non Conditioning interest		1,002.98	1,383.14
Earnings per Equity Share of ₹ 10 each (In ₹)	54	1,002.90	1,303.14
Cash		726.02	CE 4 4C
		736.92	654.46
Basic and Diluted		288.88	397.32
Significant Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Gupta & Dua Chartered Accountants Firm's Registration No. 003849N

Mukesh Dua Partner

Membership No. 085323

Place : Kolkata Date: 18<sup>th</sup> May, 2019 For and on behalf of the Board

B. G. Bangur Chairman DIN: 00244196

S. S. Khandelwal

Company Secretary

H. M. Bangur Managing Director DIN: 00244329

Prashant Bangur Joint Managing Director DIN: 00403621

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee DIN: 00244443

Subhash Jajoo Chief Finance Officer

# CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

Pä	articulars		ear ended 3.2019	For the Year ended 31.03.2018		
A	Cash Flow From Operating Activities					
	Profit Before Exceptional Items and Tax		1,323.77		1,827.13	
	Adjustments For :					
	Depreciation and Amortisation Expense	1,471.81		899.40		
	Foreign Exchange Rate Differences (Net)	142.12		21.03		
	Balances Written Back	(4.66)		(12.76)		
	Provision No Longer Required	(0.21)		(42.13)		
	Allowance for Doubtful Trade Receivables (Net)	0.57		0.43		
	Net Gain on Sale of Investments	(9.94)		(36.43)		
	Gain on Fair Value of Financial Assets through Profit or Loss	(14.84)		(2.68)		
	Interest Income	(165.27)		(209.26)		
	Dividend Income on Financial Assets Classified at Fair Value through Profit or Loss	(52.84)		(82.52)		
	Profit on Sale of Property, Plant and Equipment (Net)/Assets Written Off	22.35		1.10		
	Finance Costs	247.86	1,636.95	135.27	671.45	
	Operating Profit Before Working Capital Changes		2,960.72		2,498.58	
	Adjustments For :					
	(Increase) / Decrease in Trade and Other Receivables	(356.11)		(509.92)		
	(Increase) / Decrease in Inventories	(61.91)		(254.52)		
	Increase / (Decrease) in Trade & Other Payables and Provisions	(232.46)	(650.48)	651.37	(113.07)	
	Cash Generated From Operations		2,310.24		2,385.51	
	Direct Taxes Paid (Net of Refunds)		(230.22)		(506.79)	
	Net Cash From Operating Activities		2,080.02		1,878.72	
В	Cash Flow From Investing Activities					
	Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Advances)	(1,934.27)		(2,525.13)		
	Proceeds from Sale of Property, Plant and Equipment	13.97		1.56		
	Payments for Intangible Assets	(2.15)		(2.68)		
	Purchases of Investments in Bonds, Debentures and Preference Shares	-		(815.11)		
	Payment for Acquisition of Controlling Stake in Subsidiaries (Refer Note 38 & 39) (net of cash and cash equivalents acquired)	(2,008.10)		-		
	Proceeds from Sale/ Redemption of Bonds, Debentures and Preference Shares	705.75		913.91		
	(Purchases) / Proceeds of Investments in Mutual Funds (Net)	2,281.18		(1,931.72)		
	Investments in Bank Deposits	(235.63)		(65.08)		
	Maturity of Bank Deposits	207.30		61.63		
	Change in Earmarked Balances with Banks (Unpaid Dividend)	(0.14)		(0.15)		
	Dividend Received	59.43		95.70		
	Interest Received (Including Interest on Zero Coupon Bonds)	191.14		672.34		
	Net Cash Used in Investing Activities		(721.52)		(3,594.73)	

				(K III CIOIE
Particulars		ear ended	For the Year ended	
	31.0	3.2019	31.03	3.2018
C Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	-		1,684.82	
Repayment of Long Term Borrowings	(7.53)		-	
Payment of Finance Lease Liabilities	(1.52)		(3.98)	
Proceeds from Short Term Borrowings	75.00		1,009.27	
Repayment of Short Term Borrowings	(1,048.53)		(660.16)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	223.44		5.38	
Interest and Financial Charges Paid	(276.14)		(124.78)	
Dividend and Tax Paid there on (Interim and Final)	(240.71)		(184.33)	
Net Cash (Used in) / From Financing Activities		(1,275.99)		1,726.22
Net (Decrease) / Increase in Cash and Cash Equivalents		82.51		10.21
Cash and Cash Equivalents as at the beginning of the Year		33.52		23.31
Add: Effect of exchange rate on consolidation of Foreign Subsidiaries		1.69		-
Cash and Cash Equivalents as at the end of the Year		117.72		33.52

#### Notes:

- 1 Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 2 The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash
- For the purpose of Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Crore)

	AS at	As at
	31.03.2019	31.03.2018
Balances with Banks	41.65	51.21
Cash on Hand	0.91	0.56
Call Deposits with Banks	1.56	-
Fixed Deposits with Banks Having Original Maturity upto 3 Months	98.08	-
	142.20	51.77
Less: Bank Overdraft	24.48	18.25
	117.72	33.52

Refer Note 48 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

For Gupta & Dua Chartered Accountants Firm's Registration No. 003849N B. G. Bangur Chairman DIN: 00244196 H. M. Bangur Managing Director DIN: 00244329

Prashant Bangur Joint Managing Director DIN: 00403621

Mukesh Dua

S. S. Khandelwal Company Secretary Membership No. 085323

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee

DIN: 00244443

Place : Kolkata Date : 18<sup>th</sup> May, 2019 Subhash Jajoo Chief Finance Officer

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## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2019

#### A. EQUITY SHARE CAPITAL (Refer Note 19)

Particulars	Numbers	₹ in Crore
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at 31.03.2019	3,48,37,225	34.84
As at 31.03.2018	3,48,37,225	34.84

#### **B.** OTHER EQUITY

#### For the Year ended 31st March, 2019

(₹ in Crore)

Particulars	Attributable to Owners of the Company Attrib										
	Reserves and Surplus						Items (	of OCI	Total Other	-	Other Equity
	Capital Redemp- tion Reserve		Securities Premium	Statu- tory Reserve	General Reserve	Retained Earnings	Currency	Effective Portion of Cash Flow Hedges	Equity Attributable to Owners of the Company	Non Contro- lling Interest	
Opening Balance as at 01.04.2018	15.00	-	26.53	-	5,500.00	3,333.95	0.01	(13.67)	8,861.82	-	8,861.82
Profit for the Year						1,006.39			1,006.39	8.66	1,015.05
Other Comprehensive Income for the Year											-
Re-measurements of the Defined Benefit Plans (Net of Tax)						3.77			3.77	0.01	3.78
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 52)								(22.80)	(22.80)		(22.80)
Exchange Differences on Translation of Foreign Operation							6.87		6.87	0.08	6.95
On Account of Business Combination (Refer Note 38 & 39)		10.84							10.84	63.60	74.44
Transfer to/(from) Retained Earnings				5.20	200.00	(205.20)			-		-
Final Dividend on Equity Shares (Note 1 below)						(104.51)			(104.51)		(104.51)
Tax on Final Dividend						(21.48)			(21.48)		(21.48)
Interim Dividend on Equity Shares (Note 2 and 5 below)						(87.09)			(87.09)	(9.87)	(96.96)
Tax on Interim Dividend						(17.90)			(17.90)		(17.90)
Closing Balance as at 31.03.2019	15.00	10.84	26.53	5.20	5,700.00	3,907.93	6.88	(36.47)	9,635.91	62.48	9,698.39

#### For the year ended 31st March, 2018

Particulars		Attribut-							
	Ro	eserves and S	urplus		Items	s of OCI	Total Other	Non Contro-	Other Equity
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Foreign Currency Transla- tion Reserve	Effective Portion of Cash Flow Hedges	Equity Attributable to Owners of the Company		
Opening Balance as at 01.04.2017	15.00	26.53	5,000.00	2,632.14	0.01	(10.52)	7,663.16	-	7,663.16
Profit for the Year				1,384.15			1,384.15		1,384.15
Other Comprehensive Income for the Year									-
Re-measurements of the Defined Benefit Plans (Net of Tax)				2.14			2.14		2.14

#### B. OTHER EQUITY (contd...)

(₹ in Crore)

Particulars		Attribut-	1						
	Ro	urplus	Item	s of OCI	Total Other	1	Other		
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Foreign Currency Transla- tion Reserve	Effective Portion of Cash Flow Hedges	Equity Attributable to Owners of the Company	Contro	Equity
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 52)						(3.15)	(3.15)		(3.15)
Exchange Differences on Translation of Foreign Operation					-		-		-
Transfer to/(from) Retained Earnings			500.00	(500.00)			-		-
Final Dividend on Equity Shares (Note 3 below)				(83.61)			(83.61)		(83.61)
Tax on Final Dividend				(17.02)			(17.02)		(17.02)
Interim Dividend on Equity Shares (Note 4 below)				(69.67)			(69.67)		(69.67)
Tax on Interim Dividend				(14.18)			(14.18)		(14.18)
Closing Balance as at 31.03.2018	15.00	26.53	5,500.00	3,333.95	0.01	(13.67)	8,861.82	-	8,861.82

Note 1 : Final Dividend declared at the rate of ₹ 30 per share of ₹ 10 each for FY 2017-18.

Note 2 : Interim Dividend declared at the rate of ₹ 25 per share of ₹ 10 each for FY 2018-19.

Note 3: Final Dividend declared at the rate of ₹ 24 per share of ₹ 10 each for FY 2016-17.

Note 4: Interim Dividend declared at the rate of ₹ 20 per share of ₹ 10 each for FY 2017-18.

Note 5: Dividend distributed to the non-controlling interest pertains to the dividend declared by a Subsidiary.

#### **Nature of Reserves**

**Capital Redemption Reserve -** Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

**Capital Reserve -** Company's Capital Reserve is on account of acquisition of controlling stake in Union Cement Company (PJSC) (UCC) and Raipur Handling and Infrastructure Private Limited (RHIPL).

**Securities Premium -** Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

**Statutory Reserve** - According to the articles of association of Union Cement Company (PJSC) (Subsidiary Company) and the requirements of the U.A.E. Federal Law No. (2) of 2015, 10% of the profit for each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of the paid-up share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

**General Reserve** - General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

**Retained Earnings -** Retained Earnings represents the undistributed profits of the Company.

**Foreign Currency Translation Reserve -** The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in the foreign currency translation reserve.

**Effective Portion of Cash Flow Hedges -** The Company has designated certain hedging instruments as cash flow hedges and any effective portion is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised to the Statement of Profit and Loss.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Gupta & Dua** Chartered Accountants Firm's Registration No. 003849N

**Mukesh Dua** Partner

Membership No. 085323

Place : Kolkata Date : 18<sup>th</sup> May, 2019 For and on behalf of the Board **B. G. Bangur H.** 

DIN: 00244196 **S. S. Khandelwal** 

Chairman

Company Secretary

**H. M. Bangur** Managing Director DIN: 00244329 **Prashant Bangur**Joint Managing Director
DIN: 00403621

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee

DIN: 00244443

**Subhash Jajoo**Chief Finance Officer

#### Notes Forming Part of Consolidated Financial Statements

#### 1. CORPORATE INFORMATION

Shree Cement Limited (the Holding Company) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar, District-Ajmer-305901 (Rajasthan) India.

The Consolidated Financial Statements comprise financial statements of Shree Cement Limited ("the Holding Company") and its subsidiaries together referred to as "the Company" or "the Group".

The Company is engaged in the manufacturing and selling of cement, cement related products and power generation and sales. It is recognized as one of the most efficient and environment friendly Company in the global cement industry. For Company's principal shareholders, Refer Note No. 19.1.

These Consolidated Financial Statements are approved and adopted by the Board of Directors of the Company in their meeting held on  $18^{th}$  May, 2019.

#### 2. STATEMENT OF COMPLIANCE

These consolidated financial statements (hereinafter referred to as "financial statements" in the consolidated financial statements) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

#### 3. PRINCIPLES OF CONSOLIDATION:

The subsidiaries considered in the preparation of these Consolidated Financial Statements are:

Sr.	Name of the Subsidiary Company	Country of	% Shareholding and Voting Power			
No.		Incorporation	As at 31.03.2019	As at 31.03.2018		
1	Shree Global Pte. Ltd. (liquidated w.e.f. 11.03.2019)	Singapore	-	100%		
2	Shree Global FZE (w.e.f. 07.05.2018)	U.A.E	100%	-		
3	Shree International Holding Ltd. (w.e.f. 28.06.2018)	U.A.E	100%	-		
4	Shree Enterprises Management Ltd. (w.e.f. 19.06.2018)	U.A.E	100% (Beneficially Owned)	-		
5	Union Cement Company (PJSC) w.e.f. (11.07.2018)	U.A.E	97.61%	-		
6	Union Cement Norcem Company Limited L.L.C. (w.e.f. 11.07.2018)	U.A.E	60%	-		
7	Raipur Handling and Infrastructure Private Limited (w.e.f. 14.05.2018)	India	100%	-		

The Consolidated Financial Statements of the Group are prepared on following basis:

- a) The Consolidated Financial Statements are prepared in accordance with Ind AS 110- "Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014.
- b) The Financial Statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the books values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions and any unrealized profits or losses arising from intra group
- transaction, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.
- c) Non-Controlling Interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.
- d) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar

circumstances and are presented in the same manner as the Company's Standalone Financial Statements.

e) The Financial Statements of the Company and its Subsidiaries used in the consolidation are drawn up to the same reporting date i.e. 31<sup>st</sup> March, 2019.

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the period. The exchange differences arising on translation for consolidation are recognized in Other Comprehensive Income (OCI) except to the extent those exchange differences are allocated to noncontrolling interest. On disposal of foreign operation, the component of OCI relating to that particular foreign operation is recognized to the profit or loss.

#### 4. **NEW ACCOUNTING PRONOUNCEMENTS**

#### Adoption of Ind AS 115 'Revenue from Contracts with Customers'

Effective 1<sup>st</sup> April, 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the modified retrospective approach. The adoption of Ind AS 115 did not have any significant impact on overall financial statements of the Company.

# ii. Application of new standard/amendments issued but not yet effective

In March 2019, the Ministry of Corporate Affairs issued Companies (Indian Accounting Standards) Amendments Rules, 2019, notifying the following Ind AS/amendments which is effective from annual period beginning on or after 1<sup>st</sup> April, 2019:

#### a) Ind AS 116 - Leases

This new Ind AS replaces the existing standard Ind AS 17 'Leases'. The core requirement under Ind AS 116 for lessee is to recognize the asset for the right of use received and liability for the obligations under each lease contract for lease term (as defined under Ind AS 116) except for short period leases or low value leases.

# b) Amendment to Ind AS 103 - Business Combinations

Amendment provides additional guidance for accounting in case of a party to the joint operation achieved control over joint operation. Such transaction is required to be accounted like the business combination achieved in stages.

# c) Amendment to Ind AS 109 - Financial Instruments

Amendment provides additional guidance in relation to prepayment features with reasonable compensation that changes the contractual cash

flow. Amendment also provides the transitional provision in Ind AS 109 as a consequence of issuance of guidance on prepayment features with negative compensation.

# d) Amendment to Ind AS 111 - Joint Arrangements

As per the amendment, a party participating in joint operation but does not have joint control shall not re-measure it's previously held interest in a joint operation (which constitutes a business) while attaining joint control over joint operation on acquisition of additional interest or otherwise.

#### e) Amendment to Ind AS 12 - Income Taxes

As part of amendment, Appendix C 'Uncertainty over Income Tax Treatments' has been inserted in the standard which clarifies the recognition and measurement requirements of Ind AS 12 in case of uncertainty over income tax treatment and reflect the effect of such uncertainty in accounting treatment.

#### f) Amendment to Ind AS 19 - Employee Benefits

The standard is amended to provide the guidance for measurement of defined benefit obligation in case of plan amendment, curtailment or settlement.

#### g) Amendment to Ind AS 23 - Borrowing Cost

The amendment clarifies that borrowing cost applicable to borrowing made specifically for the purpose of obtaining a qualifying asset shall be excluded while determining general capitalization rate only till substantially all the activities necessary to prepare that specific asset for its intended use are completed.

#### h) Amendment to Ind AS 28 - Investments in Associates and Joint Ventures

The amendment clarifies that an entity first applies Ind AS 109'Financial Instruments' to other financial Instruments (long-term interests in associates and joint ventures) before taking into account its share of profit or loss of an associate or joint venture under Ind AS 28. Consequently, in applying Ind AS 109, an entity does not take account of any adjustments to the carrying amount of long-term interests under Ind AS 28. The Company does not have any interest in associate or joint venture therefore the amendment will not have any effect on the Company's financial statements.

These Ind AS/Amendments are applicable to the Company from 1<sup>st</sup> April, 2019. The Company is evaluating the effects of the new Ind AS/amendments on its financial statements.

#### 5. SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Preparation and Measurement

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:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 5 (s))
- Employee's defined benefit plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest crore, except otherwise indicated.

#### 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:

- It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
- 2. It is held primarily for the purpose of trading; or
- 3. It is expected to realize the asset within twelve months after the reporting period; or
- 4. The asset is a cash or cash 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:

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

- 3. It is due to be settled within twelve months after the reporting period; or
- 4. The Company does not have an 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.

#### c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All subsequent costs are charged to Statement of Profit and Loss unless 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.

Capital work in progress is carried at cost and directly attributable expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under "other non-current assets".

Depreciation is provided on written down value method except in case of subsidiary companies on Straight Line Method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	3-30 Years
Building (including Roads)	10-35 Years
Railway Siding	15-20 Years
Vehicles	5-6 Years
Office Equipment	3-6 Years
Furniture & Fixtures	5-10 Years

Assets individually costing less than or equal to ₹5,000 are fully depreciated in the year of purchase. Leasehold land classified as finance lease is amortized over the period of lease on a straight line basis. Freehold land containing mineral reserve is amortized over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis upto the date of deduction/disposal.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is disposed and / or derecognized.

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

#### d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use.

Amortization is provided on a written down value method except in case of subsidiary companies on Straight Line Method over estimated useful lives. Mining rights is amortized based on units-of-production method. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Computer Software	3-10 Years
Private Freight Terminal License	Over the period of license right

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

The residual values, useful lives and method of amortization of Intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### e) Borrowing Costs

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

#### f) Impairment of Non-Financial Assets

The carrying amount of assets are reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's 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. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

#### g) Revenue Recognition

Revenue is recognized to depict the transfer of promised goods or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of goods and power is recognized when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and either the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods & Service Tax (GST)/Sales Tax/ VAT, discounts, volume rebates and returns, as applicable. Revenue is inclusive of excise duty till 30<sup>th</sup> June, 2017.

- h) Dividend income is recognized when the right to receive the payment is established. Interest is recognized using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognized as profit or loss on sale/ redemption of investment on date of transaction.
- i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with reasonable

certainty, are recognized only when collection is virtually certain which generally coincides with receipt and are netted off from related expenses.

#### j) Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognized in the Statement of Profit and Loss on a systematic basis over the period to match them with the related costs.

Grants related to an assets are included in noncurrent liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of 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 and is recognized in the Statement of Profit and Loss.

#### k) Employee Benefits

#### 1) Defined Contribution Plan

Superannuation, Provident Fund, National Pension Scheme, Employees State Insurance Corporation (ESIC) and Retirement Pension and Social Security Scheme are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year in which employees have rendered related services.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust in respect of few employees. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognizes such contribution and shortfall, if any, as an expense in the year incurred.

#### 2) Defined Benefit Plan

Gratuity and End of Service Benefit is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorized 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'.

Re-measurement, 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 net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### 3) Other Long Term Benefits

Encashable leave and non encashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/losses, if any, are recognized in the Statement of Profit and Loss in the year in which they arises.

#### 4) Other Short term Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized 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.

#### l) Foreign Currency Transaction

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also Holding Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency of the entity in the Group, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise, except the amount of such differences capitalized in accordance with policy on 'Borrowing costs'.

#### m) Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such case the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognized for all taxable temporary difference and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. 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 liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

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

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Tax credit is recognized in respect of Minimum Alternate Tax (MAT) paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is

reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

#### n) Inventories

#### Raw Materials, Stores & Spare Parts, Packing Materials and Fuel

These are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

#### 2) Work-in-progress and Finished goods

These are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty till 30th June, 2017. Cost is determined on a weighted average basis.

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

#### o) Provisions and Contingencies

#### 1) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and 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.

If the effect of time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

#### **Mines Reclamation Expenditure**

The Company provides for the expenditure to reclaim the quarries used for mining in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.

#### 2) Contingencies

Contingent liabilities are disclosed when there is a possible obligation as a result of 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 or when there is 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 amount cannot be made. Contingent assets are not recognized.

#### p) Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

#### 1) Assets Taken on Finance Lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### 2) Operating Lease

Leases other than finance leases are operating leases. Payments made under operating leases are recognized in the Statement of Profit and 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 expected inflationary cost increases.

#### q) Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the internal business reporting systems. These business segments are reviewed by the chief operating decision maker. Inter

Segment Transfers are accounted for as if the sales or transfers were to third parties at market price.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. Assets, Liabilities, Revenue and Expenses which are not allocable to segments are included under "unallocated".

#### r) Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognized in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Intangible Assets acquired in a Business Combination and recognized separately from Goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a Business Combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognizes any

additional assets or liabilities that are so identified, any gain thereafter is recognized in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognized in Statement of Profit and Loss.

#### s) Financial Instruments

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

#### 1) Financial Assets

#### Initial Recognition and Measurement

All financial assets are recognized 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 assets.

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans, other financial assets and investments.

#### Classification and Subsequent Measurement

Financial assets are subsequently measured at amortized cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset contractual cash flow characteristics.

#### a) Financial Assets at Amortized Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### c) Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

#### Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

#### Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. 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.

#### 2) Financial Liabilities

#### Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

#### Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

#### a) Financial liabilities at Fair Value Through Profit or Loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

#### b) Other Financial Liabilities

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

#### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

# 3) Derivative Financial Instruments and Hedge Accounting

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company designates these cross currency and interest rate swaps in a cash flow hedging relationship by applying the hedge accounting principles.

These cross currency and interest rate swaps are stated at fair value at each reporting date. Changes in the fair value of these swaps that are designated and effective as hedges of future cash

flows are recognized in other comprehensive income (net of tax) and the ineffective portion is recognized immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss when the hedged transaction affects the profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

# 4) Financial Liabilities and Equity Instruments: Classification as Debt or Equity

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument. The Company does not have any compound financial instruments.

#### **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 Company are recognized at the proceeds received.

#### t) Cash and Cash Equivalents

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

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand 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.

#### u) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the owners of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

# 6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make

judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

#### a) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

#### b) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortization charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### c) Allowances for Uncollected Trade Receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

#### d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### e) Mines Reclamation Obligation

The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government bonds of similar tenure.

#### f) Defined Benefit Plan

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. All assumption are reviewed at each reporting date. Refer Note 43 for sensitivity analysis.

# g) Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

# PROPERTY, PLANT AND EQUIPMENT

Particulars			<b>GROSS BLOCK</b>	CK				DEPRECIATI	<b>DEPRECIATION / AMORTIZATION</b>	ZATION		NET BLOCK
	Opening	Acquisition	Effect	Additions	Deduct-	As at	Opening	For the	Effect of	-peduc-	Up to	As at
	as at 01.04.2018	through Business Combination (Refer Note	of Foreign Currency Transla- tion	During the Year	ions/ Adjust- ment During the Year	31.03.2019	as at 01.04.2018	Year	Foreign Currency Transla- tion	tions/ Adjust- ments During the Year		31.03.2019 31.03.2019
Tangible Assets:												
Free Hold Land	804.13	1.96	1	205.82	0.65	1,011.26	3.38	2.37	1	1	5.75	1,005.51
Lease Hold Land	305.45	1	1	20.95	11.77	314.63	15.43	7.22	1	0.74	21.91	292.72
Buildings	638.74	62.81	0.34	273.55	22.69	952.75	223.45	136.88	(0.03)		360.30	592.45
Plant and Equipment	4,659.09	1,621.29	8.37	1,814.75(a)	15.45	8,088.05	2,625.41	1,310.99	(1.76)	13.73	3,920.91	4,167.14
Railway Siding	23.42	25.43	1	14.17	1	63.02	11.07	7.47		-	18.54	44.48
Furniture and Fixtures	30.18	0.94	(0.01)	7.57	0.11	38.57	23.48	6.95	(0.01)	0.11	30.31	8.26
Оffice Equipment	39.26	1.50	(0.01)	13.48	0.61	53.62	31.49	11.94	(0.01)	0.49	42.93	10.69
Vehicles	26.31	1.96	0.01	13.40	4.00	37.68	15.76	11.93	(0.02)	3.90	23.77	13.91
Total	6,526.58	1,715.89	8.70	2,363.69	55.28	10,559.58	2,949.47	1,495.75(b)	(1.83)	18.97	4,424.42	6,135.16

Particulars		GROS	GROSS BLOCK		Q	<b>DEPRECIATION / AMORTIZATION</b>	MORTIZATION		NET BLOCK
	Opening as at 01.04.2017	Additions During the Year	Deductions/ Adjustments During the	As at 31.03.2018	Opening as at 01.04.2017	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2018	As at 31.03.2018
Tangible Assets:									
Free Hold Land	607.52	196.61		804.13	1.87	1.51		3.38	800.75
Lease Hold Land	284.59	20.86		305.45	8.33	7.10		15.43	290.02
Buildings	453.53	185.21		638.74	133.38	90.07		223.45	415.29
Plant and Equipment	3,173.53	1,494.59 (a)	9.03	4,659.09	1,832.77	801.63	8.99	2,625.41	2,033.68
Railway Siding	23.42		1	23.42	7.41	3.66		11.07	12.35
Furniture and Fixtures	22.48	7.89	0.19	30.18	15.56	8.11	0.19	23.48	6.70
Office Equipment	31.85	10.33	2.92	39.26	20.21	14.18	2.90	31.49	77.7
Vehicles	19.97	10.56	4.22	26.31	11.02	8.77	4.03	15.76	10.55
Total	4,616.89	1,926.05	16.36	6,526.58	2,030.55	935.03(b)	16.11	2,949.47	3,577.11

Includes 🕇 12.31 crore (for Year ended 31.03.2018 🕏 27.11 crore) for capital expenditure on research and development.

Depreciation for the year includes ₹29.51 crore (for the Year ended 31.03.2018 ₹39.02 crore) on assets during construction period. (e) (c) (c)

As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹8,508.98 crore and ₹5,587.79 crore, respectively.

7

# INTANGIBLE ASSETS

ω.

Particulars			COST					Ψ	AMORTIZATION			NET CARRYING AMOUNT
	Opening as at 01.04.2018	Acquisition through Business Combination (Refer Note 38 & 39)	Effect of Foreign Currency Transla- tion	Additions During the Year	Deductions/ Adjustment During	As at 31.03.2019	Opening as at 01.04.2018	For the Year	Effect of Foreign Currency Transla- tion	Deductions/ Adjust- ments During the	Up to 31.03.2019	m
Intangible Assets :												
Computer Software	11.10	6.84	0.04	2.15	ı	20.13	8.76	4.28	(0.03)	1	13.01	7.12
Private Freight Terminal License	1	30.93	ı	ı	1	30.93	1	96:0	ı	ı	96.0	29.97
Mining Rights	10.08	1		1	ı	10.08	0.35	0.33	ı	-	0.68	9.40
Total	21.18	37.77	0.04	2.15		61.14	9.11	5.57	(0.03)		14.65	46.49

Particulars		5	COST			AMORTIZATION	ATION		NET CARRYING AMOUNT
	Opening as at 01.04.2017	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2018	Opening as at 01.04.2017	For the Year	Deductions/ Adjustments During the Year	Up to As at 31.03.2018 31.03.2018	As at 31.03.2018
Intangible Assets :									
Computer Software	8.42	2.68	1	11.10	5.58	3.18	1	8.76	2.34
Mining Rights	10.08		1	10.08	0.14	0.21	1	0.35	9.73
Total	18.50	2.68		21.18	5.72	3.39		9.11	12.07

#### 9. NON-CURRENT INVESTMENTS

Particulars	Face Value (In ₹)	As 31.03	at .2019		s at 3.2018
		No.	Amount	No.	Amount
nvestments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
8.00% IRFC Tax Free Bonds - 23FB22	1,000	20,000	2.09	20,000	2.12
7.21% IRFC Tax Free Bonds - 26NV22	10,00,000	150	15.05	150	15.06
7.22% IRFC Tax Free Bonds - 30NV22	10,00,000	100	10.03	100	10.04
7.18% IRFC Tax Free Bonds - 19FB23	1,000	8,00,000	81.84	8,00,000	82.25
7.19% IRFC Tax Free Bonds - 31JL25	10,00,000	250	25.14	250	25.16
7.15% IRFC Tax Free Bonds - 21AG25	10,00,000	259	26.44	259	26.51
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	105	10.93	505	52.80
8.10% IRFC Tax Free Bonds - 23FB27		1,60,502		1,60,502	18.24
7.39% IRFC Tax Free Bonds - 06DC27	1,000		18.04		
	10,00,000	100	10.80	100	10.87
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,37,000	25.32	10,57,000	113.52
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.78	66	7.83
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.89	5,50,000	55.96
7.28% IRFC Tax Free Bonds- 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	52.34	5,11,350	52.41
Power Finance Corporation					
7.21% PFC Tax Free Bonds - 22NV22	10,00,000	500	50.33	500	50.40
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	250	26.23	250	26.39
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	11.18	1,000	11.30
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.76	24,000	2.79
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	34.02	300	34.33
8.54% PFC Tax Free Bonds - 16NV28	1,000	68,167	7.96	68,167	8.04
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	14,38,951	145.54	15,01,271	152.38
8.27% NHAI Tax Free Bonds - 05FB24	1,000	1,00,000	10.87	2,50,000	27.55
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	250	25.06	250	25.07
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	330	33.61	380	38.78
8.30% NHAI Tax Free Bonds - 25JN27	1,000	-	-	54,086	6.20
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	28	3.26	278	32.69
8.50% NHAI Tax Free Bonds - 05FB29	1,000	_	-	3,35,300	39.54
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	100	10.82	365	39.66
7.35% NHAI Tax Free Bonds - 11JN31	1,000	1,46,022	16.03	8,76,022	96.67
7.39% NHAI Tax Free Bonds - 09MR31	1,000	3,85,462	38.55	3,85,462	38.55
Housing and Urban Development Corporation Limited	1,000	3,03,402	30.33	3,03,402	30.33
8.10% HUDCO Tax Free Bonds - 05MR22	1 000	10.00.424	10452	10 50 424	110.00
	1,000	10,08,424	104.52	10,58,424	110.88
7.34% HUDCO Tax Free Bonds - 16FB23	1,000	2,50,000	25.21	2,50,000	25.25
7.19% HUDCO Tax Free NCD - 31JL25	10,00,000	68	7.03	68	7.06
7.07% HUDCO Tax Free NCD - 010T25	10,00,000	250	25.19	300	30.25
7.00% HUDCO Tax Free NCD - 090T25	10,00,000	120	12.21	120	12.23
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.32	2,80,066	28.35
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.95	37,645	3.97
8.20%/8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	106.91	9,70,000	107.87
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.97	1,19,000	13.06
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	5.20	44	5.26
8.73% HUDCO Tax Free Bonds - 24MR29	1,000	20,000	2.40	20,000	2.43
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	2,80,279	31.61
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	11,00,439	115.96	16,55,439	171.36

#### 9. NON-CURRENT INVESTMENTS (contd...)

Particulars	Face Value	٨٥	at	,	\s at
Fol ticutol 3	race value (In ₹)		3.2019		15 at 13.2018
	(111 (7	No.	Amount	No.	Amount
India Infrastructure Finance Company Limited			7	1101	7
7.21% IIFCL Tax Free Bonds - 21NV22	10,00,000	150	15.18	150	15.22
7.19% IIFCL Tax Free Bonds - 22JN23	1,000	8,50,000	86.02	8,50,000	86.26
6.86% IIFCL Tax Free Bonds - 26MR23	1,000	50,000	5.12	50,000	5.15
8.11% IIFCL Tax Free Bonds - 05SP23	10,00,000	50	5.20	50	5.24
8.01% IIFCL Tax Free Bonds - 12NV23	1,000	50,000	5.36	50,000	5.42
8.41% IIFCL Tax Free Bonds - 22JN24	1,000	1,53,000	16.51	1,53,000	16.72
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	250	26.97	250	27.14
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	150	15.44	150	15.47
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	4,46,000	47.29	4,46,000	47.51
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.74	1,50,000	15.80
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	11.45	100	11.56
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	15.07	130	15.23
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	7.43	64	7.51
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.38	11,680	1.39
Rural Electrification Corporation	1,000	11,000	1.50	11,000	1.55
7.21% REC Tax Free Bonds - 21NV22	10,00,000	250	25.17	250	25.21
			5.17	50,000	5.21
7.22% REC Tax Free Bonds - 19DC22	1,000	50,000		· · · · · · · · · · · · · · · · · · ·	
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	5.10	45,564	5.16
7.38% REC Tax Free Bonds - 19DC27	1,000	1,00,000	10.80	1,00,000	10.87
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	20.90	181	21.11
8.46% REC Tax Free Bonds - 24SP28	1,000	3,00,000	34.66	3,00,000	35.01
Indian Renewable Energy Development Agency Limited					
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	88.05	8,68,838	88.11
7.17% IREDA Tax Free Bonds - 010T25	10,00,000	150	15.68	150	15.72
National Bank for Agriculture and Rural Development					
7.35% NABARD Tax Free Bonds - 23MR31	1,000	-	-	4,00,796	40.08
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	-	-	350	40.84
JK Lakshmi Cement Limited					
8.70% JK Lakshmi Cement Limited NCD - 06JN20	10,00,000	-	-	150	15.14
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	200	20.24	200	20.31
Birla Corporation Limited					
9.25% Birla Corporation Limited NCD - 18AG26	10,00,000	400	41.77	400	41.97
Total (A)			1,782.61		2,308.15
nvestments at Fair Value through Profit or Loss (B)					
QUOTED					
Preference Shares					
Infrastructure Leasing and Financial Services Limited					
(Refer Note 36)					
16.06% Non Convertible Redeemable Cumulative	7,500	28,000	_	28,000	37.07
Preference Shares (Fully Paid-up), redeemable at	,,555	20,000		20,000	07.07
premium in 7 years from the date of issue, i.e. $25^{\text{m}}$ March, $2021$					
15.99% Non Convertible Redeemable Cumulative	7,500	52,000	-	52,000	68.82
Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 16 <sup>th</sup> May, 2021					

#### 9. NON-CURRENT INVESTMENTS (contd...)

(₹ in Crore)

ticulars	Face Value (In ₹)	As 31.03			at .2018
		No.	Amount	No.	Amount
16.46% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 5 <sup>th</sup> October, 2022	7,500	13,500	-	13,500	20.65
IL&FS Financial Services Ltd. (Refer Note 36)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. 30 <sup>th</sup> March, 2021	7,500	33,400	-	33,400	51.59
Zee Entertainment Enterprises Limited					
6% Cumulative Redeemable Non Convertible Preference Shares (Fully Paid-up), redeemable at par in 3 equal annual instalments from 5 <sup>th</sup> March, 2020 to 5 <sup>th</sup> March, 2022	6 (8 as on 31.03.18)	9,62,83,625	35.36	20,95,61,622	116.96
In Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	3,50,00,000	38.26	3,50,00,000	35.51
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	7,50,00,000	81.96	7,50,00,000	76.09
Aditya Birla Sun Life Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	10,00,00,000	108.96	10,00,00,000	101.49
Kotak FMP Series 216 Direct - Growth	10	3,00,00,000	32.67	3,00,00,000	30.39
ICICI Prudential FMP Series 80-1138 D Plan R Cumulative	10	50,000	0.06	-	-
UNQUOTED					
Preference Shares					
Tata Capital Limited					
8.33% Non Convertible Cumulative Redeemable Non-Participating Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 18 <sup>th</sup> August, 2021	1,000	-	-	10,00,000	100.48
8.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 21st April, 2022	1,000	4,00,000	40.05	4,00,000	40.62
7.50% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 15 <sup>th</sup> , September 2023	1,000	6,00,000	59.35	6,00,000	60.35
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27 <sup>th</sup> July, 2024	1,000	7,50,000	73.61	7,50,000	74.87
Total (B)			470.28		814.89
TOTAL (A+B)			2,252.89		3,123.04

#### 9.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

				(111 01010)
	As	at	As	at
	31.03.	2019	31.03	3.2018
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:	711100110		741100110	
- In Bonds, Debentures, Preference shares and Mutual Funds	2,079.88	2,111.67	2,846.72	2,918.24
Total	2,079.88	2,111.67	2,846.72	2,918.24
9.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS	173.01	-	276.32	

#### 10. FINANCIAL ASSETS - LOANS

(₹ in Crore)

	Non	-Current	Cu	ırrent
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered Good)				
Loans to Staff and Workers	6.43	6.09	5.23	4.63
Security Deposits (Refer Note 46)	46.70	42.72	4.57	3.16
	53.13	48.81	9.80	7.79

#### 11. FINANCIAL ASSETS - OTHERS

(₹ in Crore)

	Non	-Current	Cu	rrent
	As at	As at	As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	3.71	2.59
Derivative Financial Instruments	22.72	-	0.01	3.80
Fixed Deposits with Banks (maturity more than 12 months)	-	200.00	-	-
Interest Accrued on Bonds, Debentures and Deposits	-	-	58.32	74.27
Others	5.13	-	44.71	12.33
	27.85	200.00	106.75	92.99

<sup>11.1</sup> Others include dividend receivable etc.

#### 12. DEFERRED TAX ASSETS (NET)

	As at 31.03.2018	Recognised in P&L	Recognised in OCI	As at 31.03.2019
Deferred Tax Assets:				
Arising on account of:				
Long-term and Short-term Capital Losses	-	1.55	-	1.55
Expenses allowed for tax purpose when paid	177.35	9.36	-	186.71
Depreciation and Amortization	302.82	40.34	-	343.16
Cash Flow Hedges	7.34	-	12.25	19.59
MAT Credit Entitlement	32.94	(13.51)	-	19.43
Fair Value of Investments	-	45.53	-	45.53
Others	0.31	0.20	-	0.51
Deferred Tax Liabilities:				
Arising on account of:				
Others	7.71	(3.87)	-	3.84
Net Deferred Tax Assets/ (Liabilities)	513.05	87.34	12.25	612.64

	As at 31.03.2017	Recognised in P&L	Recognised in OCI	As at 31.03.2018
Deferred Tax Assets:				
Arising on account of:				
Long-term and Short-term Capital Losses	16.56	(16.56)	-	-
Expenses allowed for tax purpose when paid	203.01	(25.66)	-	177.35
Depreciation and Amortization	229.87	72.95	-	302.82
Cash Flow Hedges	5.57	-	1.77	7.34
MAT Credit Entitlement	73.08	(40.14)	-	32.94
Others	0.16	0.15	-	0.31
Deferred Tax Liabilities:				
Arising on account of:				
Others	20.56	(12.85)	-	7.71
Net Deferred Tax Assets/(Liabilities)	507.69	3.59	1.77	513.05

13. OTHER ASSETS (₹ in Crore)

	Non-Current		Current	
	As at As at		As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
(Unsecured, Considered Good)				
Advances to Suppliers and Contractors	-	-	112.55	96.21
Capital Advances	360.94	403.18	-	-
Assets Held for Disposal	-	-	0.10	0.11
Prepaid Expenses	3.56	-	7.86	5.51
Other Receivables	40.71	36.73	1,116.11	1,037.36
	405.21	439.91	1,236.62	1,139.19

<sup>13.1</sup> Other receivables includes GST/Sales tax, Government grants and other dues from Government etc.

#### 14. INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Raw Materials [Includes in transit ₹ 14.40 crore (As at 31.03.2018 ₹ 8.31 crore)]	60.27	47.76
Fuel [Includes in transit ₹ 306.60 crore (As at 31.03.2018 ₹ 484.03 crore)]	755.41	770.82
Stores and Spares	681.13	485.63
Packing Materials	36.39	28.97
Work-in-Progress [Includes in transit ₹ 14.67 crore (As at 31.03.2018 ₹ 17.27 crore)]	227.06	156.75
Finished Goods [Includes in transit ₹ 39.63 crore (As at 31.03.2018 ₹ 31.21 crore)]	110.05	79.09
	1,870.31	1,569.02

#### 15. CURRENT INVESTMENTS

Particulars	Face Value (In ₹)		at 3.2019	As 31.03	at .2018
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds					
National Bank for Agriculture and Rural Development					
Zero Coupon NABARD Bhavishya Nirman Bonds - 01MY18	20,000	-	-	180	0.36
Zero Coupon NABARD Bhavishya Nirman Bonds - 01JU18	20,000	-	-	460	0.91
Zero Coupon NABARD Bhavishya Nirman Bonds - 01NV18	20,000	-	-	65	0.12
JK Lakshmi Cement Limited					
8.70% JK Lakshmi Cement Limited NCD - 06JN20	10,00,000	150	15.06	-	-
Total (A)			15.06		1.39
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Preference Shares					
Zee Entertainment Enterprises Limited					
6% Cumulative Redeemable Non Convertible Preference Shares (Fully Paid-up), redeemable at par in 3 equal annual instalments from 5 <sup>th</sup> March, 2020 to 5 <sup>th</sup> March, 2022	6 (8 as on 31.03.18)	9,62,83,625	17.68	20,95,61,622	38.99
UNQUOTED					
In Units of Mutual Funds					
Kotak Equity Arbitrage Fund - Monthly Dividend (Regular Plan)	10	-	-	2,32,43,489	24.85
Aditya Birla Sun Life Enhanced Arbitrage Fund - Dividend - Direct Plan - Payout	10	-	-	3,61,83,362	39.95
Reliance Arbitrage Advantage Fund - Direct Monthly Dividend Plan	10	-	-	19,52,95,413	212.07
HDFC Arbitrage Fund - Wholesale Plan - Normal Dividend- Direct Plan	10	-	-	8,39,73,278	90.59

#### 15. **CURRENT INVESTMENTS** (contd..)

(₹ in Crore)

articulars	Face Value (In ₹)		at 3.2019		at 3.2018
		No.	Amount	No.	Amount
ICICI Prudential Equity Arbitrage Fund - Direct Plan - Dividend	10	-	-	12,20,78,541	176.30
Edelweiss Arbitrage Fund Direct Plan Dividend Option-Payout	10	-	-	4,73,78,315	50.23
Aditya Birla Sun Life Cash Plus - Growth - Direct Plan	10	-	-	35,85,691	100.15
ICICI Prudential Money Market Fund - Direct Plan - Growth	10	-	-	1,24,93,711	300.44
DSP BlackRock Liquidity Fund - Direct Plan - Growth	10	-	-	8,05,852	200.28
HDFC Cash Management Fund - Savings Plan - Direct Plan- Growth Option	10	-	-	1,38,120	50.06
Kotak Liquid Direct Plan Growth	10	-	-	5,68,739	200.31
Reliance Liquid Fund - Cash Plan - Direct Growth Plan	10	-	-	5,35,116	150.22
UTI-Money Market Fund-Institutional Plan-Direct Plan-Growth	10	-	-	7,70,333	150.20
Axis Enhanced Arbitrage Fund-Direct Dividend Payout (EA-D1)	10	-	-	13,76,04,179	150.41
DHFL Pramerica Arbitrage Fund Direct Plan- Monthly Dividend-Payout	10	-	-	2,34,04,952	25.02
Kotak Equity Arbitrage Fund-Direct Plan-Fortnight Dividend	10	-	-	7,43,20,766	175.08
Edelwiess Aribtrage Fund Monthly Dividend Direct Plan-Payout	10	-	-	9,95,52,326	124.47
HSBC Cash Fund-Growth Direct Plan	10	-	-	2,89,206	50.03
Total (B)			17.68		2,309.65
TOTAL (A+B)			32.74		2,311.04

#### 15.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

(₹ in Crore)

Particulars		s at As a 3.2019 31.03.2			
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value	
Quoted Investments:					
- In Bonds and Preference Shares	32.74	32.61	40.38	40.38	
Total	32.74	32.61	40.38	40.38	
5.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS	-		2,270.66		

#### 16. TRADE RECEIVABLES

	As at 31.03.2019	As at 31.03.2018
Secured, Considered Good	444.15	273.99
Unsecured		
Considered Good (Refer Note 16.1)	579.56	185.26
Considered Doubtful	8.06	0.90
	1,031.77	460.15
Less: Allowance for Doubtful Trade Receivables	8.06	0.90
	1,023.71	459.25

<sup>16.1</sup> Undated cheques of ₹ 158.99 crore are held against receivables considered good.

<sup>16.2</sup> Refer Note 51 for information about credit risk and market risk of trade receivables.

<sup>16.3</sup> The average payment terms with customers within India is 3-20 days and outside india is 120 days for cement and for clinker against site LC.

#### 17. CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Balances with Banks	41.65	51.21
Cash on Hand	0.91	0.56
Call Deposits with Banks	1.56	-
Fixed Deposits with Banks Having Original Maturity upto 3 Months	98.08	-
	142.20	51.77

#### 18. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Earmarked Balance with Banks for Unpaid Dividend (Refer note 21.1)	3.88	3.74
Margin Money (Pledged with Banks)	0.96	1.96
Fixed Deposits With Banks (Refer note 18.1 to 18.2 below)	292.25	263.50
Less: Fixed Deposits maturity more than 12 months disclosed under other Non-Current Financial Assets (Refer note 11)	-	(200.00)
	297.09	69.20

- 18.1 Includes deposits of ₹ 46.15 crore (As at 31.03.2018 ₹ 21.00 crore) are pledged with banks against overdraft facilities. (Refer Note 25.2)
- 18.2 Includes ₹ 45.20 crore (As at 31.03.2018 ₹ 41.97 crore), given as security to Government department and others.

#### 19. SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Authorised		
6,00,00,000 (As at 31.03.2018 6,00,00,000) Equity Shares of ₹ 10/- each	60.00	60.00
15,00,000 (As at 31.03.2018 15,00,000) Cumulative Preference Shares of ₹ 100/- each	15.00	15.00
	75.00	75.00
Issued, Subscribed and Paid-up		
3,48,37,225 (As at 31.03.2018 3,48,37,225) Equity Shares of ₹ 10/- each fully paid-up	34.84	34.84
	34.84	34.84

#### 19.1 DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES OF THE COMPANY:

Name of Shareholders	Number of Shares Held as at 31.03.2019	% of Total Paid-up Equity Share Capital	Number of Shares Held as at 31.03.2018	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	25.79	89,84,155	25.79
Digvijay Finlease Limited	42,34,780	12.16	42,34,780	12.16
FLT Limited	36,00,000	10.33	36,00,000	10.33
Mannakrishna Investments Private Limited	20,42,824	5.86	20,42,824	5.86

- 19.2 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.
- 19.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- 19.4 As no fresh issue of shares or reduction in capital was made during the current year as well as during the previous year, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.
- 19.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at 31.03.2019	As at 31.03.2018
NIL	NIL

19.6 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and the annual listing fees has been paid for the year.

#### 20. **BORROWINGS**

(₹ in Crore)

	Non-Curre	Non-Current Portion		Maturities
	As at	As at As at		As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Secured				
External Commercial Borrowings	2,255.48	2,134.18	-	-
Indian Rupee Term Loans from Banks	48.00	67.50	19.50	7.50
Vehicle Loan from Others	-	-	-	0.03
Finance Lease Obligation	5.56	6.45	1.46	1.46
	2,309.04	2,208.13	20.96	8.99
Amount disclosed under the head "Other Current Financial	-	-	(20.96)	(8.99)
Liabilities" (Refer Note 21)				
	2,309.04	2,208.13	-	_

#### 20.1 NATURE OF SECURITIES AND TERMS OF REPAYMENT OF EACH LOAN:

Sr.	Nature of Securities	Interest Rate	Loan Amount as	Loan Amount as	Terms of
No.	Notale of Securities	micrest nate	at 31.03.2019	at 31.03.2018	Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of	6 Months USD LIBOR+1% (Fixed rate	276.69	260.18	Fully Repayable on 08.05.2020
	the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	of 8.30% including the effect of related cross currency and interest rate swaps)	276.69	260.18	Fully Repayable on 24.09.2020
		As at 31.03.2019 3 Months USD LIBOR+0.70% (Fixed rate of 7.81% on INR including the effect of related cross currency & interest rate swaps) As at 31.03.2018 3 Months USD LIBOR+0.70% (Fixed rate of 3.49% on USD as on 31.03.2018 including the effect of related interest rate swaps)	859.01	806.02	Repayable in 9 half yearly equal instalments of USD 1.389 crore w.e.f. 28.03.2021
		As at 31.03.2019 3 Months USD LIBOR+0.71% (Fixed rate of 7.82% on INR including the effect of related cross currency & interest rate swaps) As at 31.03.2018 3 Months USD LIBOR+0.71% (Fixed rate of 3.49% on USD as on 31.03.2018 including the effect of related interest rate swaps)	342.51	321.07	Repayable in 8 half yearly instalments w.e.f. 27.09.2020 (First four instalments of USD 0.25 crore each, next two instalments of USD 0.50 crore each and last two instalments of USD 1.5 crore each)

#### 20.1 NATURE OF SECURITIES AND TERMS OF REPAYMENT OF EACH LOAN: (contd...)

(₹ in Crore)

Sr.	Nature of Securities	Interest Rate	Loan Amount as	Loan Amount as	Terms of
No.			at 31.03.2019	at 31.03.2018	Repayment
		As at 31.03.2019 2.72% on SGD (Fixed rate of 7.96% on INR including the effect of related cross currency and interest rate swaps [USD to INR]) As at 31.03.2018	500.58	486.73	Repayable in 8 half yearly instalments w.e.f. 27.09.2020 (First four instalment of SGD 0.49 crore each (i.e USD 0.375 crore each), next two instalments of SGD
		2.72% on SGD (Fixed rate of 3.69% on USD as on 31.03.2018 including the effect of related currency swaps [SGD to USD])			0.981 crore each (i.e. USD 0.75 crore each) and last two instalments of SGD 2.943 crore each (i.e. USD 2.25 crore each))
	Indian RupeeTerm Loan from Banks				
2	First pari passu Charge on entire moveable fixed assets of the Company. The charge shall rank pari passu with other term lenders. Second pari passu charge on entire current assets of the Company.	8.46% (7.15% as on 31.03.18)	67.50	75.00	Repayble in 4 half yearly installments w.e.f. 18.04.2019 (First two installments of ₹ 9.75 crore each and last two installments of ₹ 24 crore each)
	Vehicle Loan from Others	10.09%	-	0.03	Repaid during the year
3	Secured by Hypothecation of the vehicle				2018-2019
	Finance Lease Obligation	9.61%	7.02	7.91	Refer Note 61
4	Secured against Leased Assets				
	TOTAL		2,330.00	2,217.12	
	Less: Current Maturities of Long Term Debt		20.96	8.99	
	Total Non-Current Portion		2,309.04	2,208.13	

There is no default in repayment of principal and interest thereon.

#### 21. FINANCIAL LIABILITIES - OTHERS

	Nor	Non-Current		ırrent
	As at	As at	As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Maturities of Long-Term Debt	-	-	19.50	7.53
Current Maturities of Finance Lease Obligation	-	-	1.46	1.46
Interest Accrued but not Due on Borrowings	-	-	5.93	6.50
Derivative Financial Instruments	134.30	28.58	0.94	12.21
Unpaid Dividends (Refer Note 21.1)	-	-	14.88	3.74
Security Deposits from Customers, Vendors & Others	599.90	496.97	12.61	2.99
Payable for Capital Goods	-	-	117.45	137.26
Others (Refer Note 21.2)	-	-	289.75	239.98
	734.20	525.55	462.52	411.67

There are no amounts due and outstanding to Investor Education and Protection Fund as at 31.03.2019 and 31.03.2018 (Refer note 18)

<sup>21.2</sup> Others include the liability related to Employees, Rebate and Discount to Customers etc.

#### 22. DEFERRED TAX LIABILITIES

(₹ in Crore)

	As at 31.03.2018	Acquired/ Assumed on Acquisition of RHIPL	Recognised in P&L	Recognised in OCI	As at 31.03.2019
Deferred Tax Liabilities:					
Arising on account of:					
Depreciation and Amortization	-	0.13	0.14	-	0.27
Fair Value of Investments	-	0.06	(0.06)	-	-
Deferred Tax Assets:					
Arising on account of:					
MAT Credit Entitlement	-	-	0.02	-	0.02
Net Deferred Tax Liabilities /(Assets)	-	0.19	0.06	-	0.25

#### 23. PROVISIONS

(₹ in Crore)

	Non-Current		Current	
	As at As at		As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Provision for Employee Benefits				
Gratuity [Refer note 43(b)]	-	-	0.16	0.18
End of Service Benefits [Refer Note 43 (b)]	23.78	-	-	-
Other Staff Benefit Schemes	1.61	1.46	5.21	0.26
Other Provisions				
Mines Reclamation Expenses (Refer Note 44)	6.63	6.15	0.60	0.50
	32.02	7.61	5.97	0.94

#### 24. OTHER LIABILITIES

(₹ in Crore)

	Non-Current  As at		Current	
			As at 31.03.2019	As at 31.03.2018
Customers Advances (Refer Note 24.1)	-	-	136.47	164.02
Withholding and Other Taxes Payable	-	-	214.37	183.37
Provident Fund and Superannuation Payable	-	-	12.79	11.11
Other Statutory Liabilities	557.73	536.57	261.35	260.65
	557.73	536.57	624.98	619.15

24.1 Revenue of ₹ 150.76 crore recognised during current year from the Customer Advances as on 31.03.2018.

#### 25. CURRENT BORROWINGS

	As at 31.03.2019	As at 31.03.2018
Secured		
Loans Repayable on Demand from Banks (Refer Note 25.1)	448.19	149.75
Bank Overdraft (Refer Note 25.2)	24.48	18.25
Unsecured		
Buyers Credit from Banks	-	1,017.86
	472.67	1,185.86

<sup>25.1</sup> Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis and also secured by joint equitable mortgage on all the immovable assets of the Company situated at Beawar on second charge basis.

<sup>25.2</sup> Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 18.1)

<sup>25.3</sup> There is no default in repayment of principal and interest thereon.

#### 26. REVENUE FROM OPERATIONS

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Sale of Products and Services		
Sale of Products	11,456.83	9,433.07
Power Sales	801.88	432.88
Services	1.89	-
	12,260.60	9,865.95
Revenue from Power Trading		
Revenue from Traded Power	-	0.19
Less: Purchase of Traded Power	-	0.07
	-	0.12
Other Operating Revenue		
Incentives and Subsidies (under various incentive schemes of State and Central Government)	257.60	268.93
Scrap Sales	35.27	24.41
Others	1.18	0.12
	294.05	293.46
	12,554.65	10,159.53

Sales for the period from 01.07.2017 to 31.03.2018 and for the year ended 31.03.2019 are net of Goods and Services Tax (GST), however, sales from 01.04.2017 to 30.06.2017 are gross of excise duty.

#### 27. OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Income		
On Deposits Classified at Amortised cost	25.88	23.57
On Bonds and Debentures Classified at Amortised cost	138.52	184.24
On Tax Refund	0.60	0.11
Others	0.27	1.34
Dividend Income on Financial Assets Classified at Fair Value through Profit or Loss	52.84	82.52
Net Gain on Sale of Investments		
Classified at Amortised cost	0.55	31.94
Classified at Fair Value through Profit or Loss	9.39	4.49
Net Gain on Fair Value of Financial Assets through Profit or Loss	14.84	2.68
Profit on Sale of Property, Plant and Equipment (Net)	0.34	1.26
Provision No Longer Required	0.21	42.13
Balances Written Back	4.66	12.76
Other Non Operating Income	1.66	2.01
	249.76	389.05

#### 28. COST OF MATERIALS CONSUMED

	For the year ended 31.03.2019	For the year ended 31.03.2018
Raw Materials Consumed		
Gypsum	253.76	199.13
Fly Ash	322.06	282.00
Red Ochre and Slag	89.08	94.05
Sulphuric Acid	41.42	39.14
Others	323.42	154.74
	1,029.74	769.06

<sup>26.2</sup> Sale of Products is net of ₹ 573.76 crore (for year ended 31.03.2018 ₹ 443.51 crore) on account of cash discount, rebates and incentives given to customers.

#### 29. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Closing Stock		
Work-in-Progress	227.06	156.75
Finished Goods	110.05	79.09
Add/(Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	(1.22)	-
	335.89	235.84
Opening Stock		
Work-in-Progress	156.75	127.70
Finished Goods	79.09	109.43
Add / (Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	-	-
	235.84	237.13
(Increase) / Decrease	(100.05)	1.29
Add: Stock Transferred on Acquisition of Union Cement Company (PJSC)	60.11	-
	(39.94)	1.29

#### **30.** EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Salaries, Wages and Bonus	673.96	510.98
Contribution to Provident and other Funds (Refer note 43)	75.59	64.16
Staff Welfare Expenses	17.63	12.91
	767.18	588.05

#### 31. FREIGHT AND FORWARDING EXPENSES

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
On Finished Products	2,079.62	1,782.50
On Inter Unit Clinker Transfer	823.75	742.39
	2,903.37	2,524.89

#### **32. FINANCE COSTS**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Expenses	275.30	125.51
Bank and Finance Charges	2.40	2.40
Unwinding of Discount on Provision	0.50	0.48
Exchange Differences Regarded as an Adjustment to Borrowing Cost	49.17	8.79
	327.37	137.18
Less: Interest Capitalised (Refer Note 32.1)	79.51	1.91
	247.86	135.27

<sup>32.1</sup> Borrowing costs are capitalised using rates based on specific borrowings with interest rates ranging between 3.49 % to 7.96% per annum.

#### 33. OTHER EXPENSES

(₹ in Crore)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Stores and Spares Consumed	320.91	280.84
Packing Materials Consumed	385.48	317.48
Royalty and Cess	278.89	233.34
Mines Reclamation Expenses	0.56	0.70
Excise Duty on Captive Consumption of Clinker	-	6.75
Repairs to Plant and Machinery	268.77	236.97
Repairs to Buildings	26.42	23.05
Rent	20.50	19.69
Insurance	8.05	4.15
Rates and Taxes	13.99	19.36
Travelling	41.45	34.34
Commission to Non-executive Directors	2.64	2.97
Directors' Sitting Fees and Expenses	2.04	0.75
Advertisement and Publicity	96.24	62.54
Sales Promotion and Other Selling Expenses	166.92	142.03
Excise duty variance on Closing/Opening Stock	-	(19.15)
Foreign Exchange Rate Differences (Net)	148.92	17.81
Corporate Social Responsibility Expenses	31.32	27.81
Assets Written Off	22.69	2.36
Allowance for Doubtful Trade Receivables (Net)	0.57	0.43
Contribution to Electrol Bond	3.00	-
Miscellaneous (Refer Note 33.1)	180.93	139.45
	2,020.29	1,553.67

#### 33.1 MISCELLANEOUS EXPENSES INCLUDE THE PAYMENTS MADE TO AUDITORS:

(₹ in Crore)

(VIII CIOI			
	For the year ended 31.03.2019	For the year ended 31.03.2018	
Statutory Auditors			
Audit Fees	0.63	0.30	
Tax Audit Fees (Current Year ₹ 12,500 for a Subsidiary Company)	-	-	
Certification / Other Services	0.10	0.13	
Reimbursement of Expenses	0.10	0.11	
Cost Auditors			
Audit Fees	0.05	0.04	
Certification / Other Services (Previous year ₹ 15,000)	0.01	-	
Reimbursement of Expenses [₹ 20,628 (Previous year ₹ 13,086)]	-	-	

#### 34. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

- a. Custom duty (including interest) ₹ 64.52 crore (As at 31.03.2018 ₹ 62.10 crore)
- b. Service Tax and Education Cess (including interest) ₹ 0.82 crore (as at 31.03.2018 ₹ Nil)
- c. (i) Competition Commission of India (CCI), vide its order dated 31<sup>st</sup> August, 2016 imposed a penalty of ₹ 397.51 crore on the Company for alleged violation of Competition Act. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7<sup>th</sup> November, 2016, granted stay on CCI order subject to deposition of 10% of penalty amount and levy of interest of 12% p.a. on balance amount if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).
  - (ii) In another matter, CCI vide its order dated 19<sup>th</sup> January, 2017 imposed a penalty of ₹ 18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. The Company has filed an appeal before COMPAT (now NCLAT) against the above order.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

- d. The Divisional Bench of Hon'ble Rajasthan High Court vide Judgement dated 6<sup>th</sup> December, 2016 has allowed the appeal filed by Commercial Taxes Department/Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.
  - Vide the above Judgement of Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax / VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits. The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.
  - Based on the legal opinion, it has a good case before Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹73.08 crore received and ₹282.30 crore not received though accounted for
- **35.** Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 711.12 crore (As at 31.03.2018 ₹ 818.08 crore).
- 36. The Company has principal investments of ₹ 171.33 crore in the Preference Shares of Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Ltd (referred to as "IL&FS Group") which are accounted at fair value through profit or loss as per Ind AS 109-Financial Instruments. In August 2018, credit rating agencies downgraded IL&FS Group's credit rating to junk status. Accordingly, the Company has accounted fair value loss of ₹ 178.13 crore during the year ended 31.03.2019.
- **37.** Capital work-in-progress includes directly attributable expenses of ₹ 88.55 crore (As at 31.03.2018 ₹ 115.05 crore) which includes depreciation of ₹ 7.01 crore (for Year ended 31.03.2018 ₹ 33.69 crore) on assets during construction period.

### 38. ACQUISITION OF CONTROLLING EQUITY STAKE IN UNION CEMENT COMPANY PJSC (UCC)

- **A.** During the year, the Company has acquired voting equity stake of 97.61% in UCC, a company based in United Arab Emirates (U.A.E) on 11<sup>th</sup> July, 2018 through its step down subsidiary Shree International Holding Limited. UCC has clinker production capacity of 3.3 MTPA and cement production capacity of 4 MTPA. UCC is operating in U.A.E for more than 4 decades and has well established cement business. It has consistent track record of stable turnover and profits. The acquisition will help the Company establish its first footprint outside India and will be value accretive for the stakeholders of the Company.
- B. Fair Value of the consideration transferred

The purchase consideration of ₹ 2,086.80 crore has been discharged by fund transfer into bank accounts of the sellers.

C. Acquired Receivables

As on the date of acquisition, gross contractual amount of the acquired trade receivables and other financial assets was  $\stackrel{<}{_{\sim}}$  347.38 crore against which provision of  $\stackrel{<}{_{\sim}}$  6.56 crore was considered. Fair value of the acquired receivables are equal to the net carrying value as on the date of acquisition.

D. The fair value of identifiable assets and liabilities assumed as on the acquisition date:

Particulars	₹ in Crore
Property, Plant and equipment	1,687.76
Intangible Assets	6.84
Other Non-Current Assets	0.50
Cash and Cash Equivalents	137.59
Inventories	239.13
Trade Receivables	331.23
Other Financial Assets	9.59
Other Current Assets	19.69
Total Assets	2,432.33
Trade payables	207.37
Other Financial Liabilities	29.01
Other Current Liabilities	6.26
Provisions	30.20
Total Liabilities	272.84
Total Fair Value of Net Assets	2,159.49

### E. Amount recognized as Capital Reserve

(₹ in Crore)

Particulars	Amount
Fair Value of Net Assets Acquired	2,159.49
Less: Proportionate share of Non-Controlling interest	63.60
Less: Fair Value of the consideration transferred	2,086.80
Capital Reserve	9.09

### F. Non-Controlling Interest

Amount of  $\mathfrak{T}$  63.60 crore recognized as non-controlling interest measured on the basis of proportionate share in the recognized amount of the acquiree's identifiable net assets at the acquisition date.

### G. Acquisition Related Costs

Acquisition related costs of ₹ 22.69 crore (for the year ended 31.03.2018 ₹ 7.31 crore) have been recognized under other expenses in the Consolidated Statement of Profit and Loss.

**H.** Revenue from operation of ₹ 813.80 crore and net profit of ₹ 63.59 crore from the acquired business since the acquisition date i.e. 11<sup>th</sup> July, 2018 included in the Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019.

# 39. ACQUISITION OF 100% EQUITY STAKE IN RAIPUR HANDLING AND INFRASTRUCTURE PRIVATE LIMITED

**A.** During the year, the Company has acquired 100% voting equity stake in the "Raipur Handling and Infrastructure Private Limited" (RHIPL), on 14<sup>th</sup> May, 2018 in order to have the perpetual benefits of various intangible assets and preferential usage of private freight terminal situated near to the cement plant of the Company in the state of Chhattisgarh.

### B. Fair Value of the consideration transferred

The purchase consideration of  $\ref{thm:purchase}$  59.00 crore has been discharged by fund transfer into bank accounts of the sellers.

### C. Acquired Receivables

As on the date of acquisition, gross contractual amount of the acquired Loans and Trade Receivables was ₹ 1.61 crore against which no provision was considered since fair value of the acquired receivables are equal to the net carrying value as on the date of acquisition.

### D. The fair value of identifiable assets and liabilities assumed as on the acquisition date:

Particulars	₹ in Crore
Property, Plant and equipment	28.13
Intangible Assets	30.93
Investments	1.75
Loans	1.06
Non-Current Tax Assets (Net)	0.14
Cash and Cash Equivalents	0.11
Trade Receivables	0.55
Other Current Assets	0.22
Total Assets	62.89
Trade payables	1.17
Other Financial Liabilities	0.71
Other Current Liabilities	0.07
Deferred Tax Liability	0.19
Total Liabilities	2.14
Total Fair Value of Net Assets	60.75

### E. Amount recognized as Capital Reserve

Particulars	₹ in Crore
Fair Value of Net Assets Acquired	60.75
Less: Fair Value of the consideration transferred	59.00
Capital Reserve	1.75

### F. Acquisition Related Costs

Acquisition related costs of ₹ 0.15 crore have been recognized under other expenses in the Consolidated Statement of Profit and Loss.

- **G.** Revenue from Operations of ₹ 1.89 crore and Net Profit of ₹ 1.08 crore from the acquired business since the acquisition date i.e. 14<sup>th</sup> May, 2018 included in the Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019.
- **40.** Consolidated Revenue from operation and Consolidated Profit for the year (excluding non-controlling interest share) as though the acquisition date for all business combination that occurred during the year had been as of the beginning of the reporting period i.e. 1st April, 2018:

Particulars	₹ in Crore
Consolidated revenue from operations	12,819.70
Consolidated profit for the year	987.41

**41.** The Consolidated Financial Results for the year ended 31<sup>st</sup> March, 2019 includes results of UCC and RHIPL. Hence, consolidated figures for the current year ended 31<sup>st</sup> March, 2019 are not comparable with the previous year consolidated figures.

### 42. EXPENDITURE ON RESEARCH AND DEVELOPMENT

(₹ in Crore)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Capital	12.31	27.11
Revenue	19.76	16.42
Total	32.07	43.53

### 43. EMPLOYEE BENEFITS (REFER NOTE 30)

### (a) Contribution to defined contribution plans recognized as expenses are as under:

(₹ in Crore)

		(Cili Cioic)
Particulars	For the year ended	For the year ended
	31.03.2019	31.03.2018
Superannuation Fund	8.05	7.94
Provident Fund (Includes contribution to PF trust ₹ 4.36 crore	46.36	39.61
(₹ 3.66 crore for the year ended 31.03.2018))		
National Pension Scheme	2.27	1.73
Retirement Pension and Social Security Scheme	1.74	-
ESIC	0.14	0.11
Total	58.56	49.39

### (b) Defined Benefit Plan

- (i) **Gratuity -** The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.
- (ii) **End of Service Benefit-** End of service benefit is payable to Non U.A.E National employees (in subsidiary companies based in U.A.E) based on the employee' service and last drawn salary at the time of leaving the services of the Group and in accordance with the rule of the Group for payment of end of service benefit. The scheme is unfunded.

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Crore) **Particulars End of Service Gratuity (Funded)** Benefit (Unfunded) For the For the For the Year ended Year ended Year ended 31.03.2019 31.03.2018 31.03.2019 **Changes in Defined Benefit Obligations:** Present value of defined benefit obligation at the beginning of the year 210.62 183.20 Liabilities assumed on business combination 24.34 Current service cost 22.47 21.29 1.84 Interest cost 16.32 14.20 0.50 Re-measurements (gains)/losses (4.22)(2.78)(0.49)(2.55)Benefits paid (6.22)(5.29)Foreign currency translation 0.14 Present Value of Defined Benefit Obligation at the end of the year 238.97 210.62 23.78 Change in Plan Assets: Fair value of plan assets at the beginning of the year 210.44 183.03 Expected Return on Plan Assets 16.30 15.20 Re-measurements gains/(losses) 0.83 0.49 Contribution by employer 17.46 17.01 2.55 Benefits paid (6.22)(5.29)(2.55)Fair Value of Plan Assets at the end of the year 238.81 210.44 Expenses Recognized in the Statement of Profit and Loss Current service cost 22.47 21.29 1.84 16.32 14.20 0.50 Interest cost (16.30)(15.20)Expected return on plan assets Expenses Recognized in the Statement of Profit and Loss 22.49 20.29 2.34 Expenses recognized in Other Comprehensive Income (OCI) Return on plan assets, (excluding amount included in net Interest expense) (0.83)(0.49)Actuarial (gains)/losses arising from changes in demographic assumptions NA NA NA Actuarial (gains)/losses arising from changes in financial assumptions (13.38)6.26 (1.82)Actuarial (gains)/losses arising from changes in experience adjustments 9.16 (9.04)1.33 on plan liabilities Total recognized in Other Comprehensive Income (5.05) (3.27)(0.49)Total recognized in Total Comprehensive Income 17.44 17.02 1.85 Amount recognized in the Balance Sheet consists of Present Value of Defined Benefit Obligation 238.97 210.62 23.78 Fair Value of Plan Assets 238.81 210.44 Net Liability 0.16 0.18 23.78 The Major Categories of Plan Assets as a % of Total Plan Qualifying Insurance Policy 100% 100% NΑ

### The Principal actuarial assumption used:

Particulars	Gratu	Gratuity (Funded)		
	For the Year ended 31.03.2019	For the Year ended 31.03.2018	For the Year ended 31.03.2019	
Discount rate	7.75% per annum	7.75% per annum	3.00% per annum	
Salary Growth Rate	13.07% per annum	13.61% per annum	2.67% per annum	
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	
Expected rate of return	7.75% per annum	7.75% per annum	NA	
Withdrawal rate (Per Annum)	3.00% p.a. (18 to 30 Years)	3.00% p.a. (18 to 30 Years)	2.00% p.a. (18 to 30 Years)	
Withdrawal rate (Per Annum)	2.00% p.a. (30 to 44 Years)	2.00% p.a. (30 to 44 Years)	5.00% p.a. (30 to 44 Years)	
Withdrawal rate (Per Annum)	1.00% p.a. (44 to 60 Years)	1.00% p.a. (44 to 60 Years)	3.00% p.a. (44 to 60 Years)	

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market.

The Gratuity scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on 31.03.2019 are as follows:

### Gratuity (Funded)-

Assumptions	Discou	nt rate	Future S	Salary	Withdrav	val Rate
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation- Funded (₹ in Crore)	(26.06)	31.09	29.22	(25.14)	(8.70)	10.04

### End of Service Benefit (Unfunded)-

Assumptions	Discou	nt rate	Future S	Salary	Withdrav	val Rate
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation- Unfunded (₹ in Crore)	(2.03)	2.40	2.39	(2.05)	0.06	(0.06)

Sensitivity Analysis for significant assumptions as on 31.03.2018 are as follows:

### Gratuity (Funded)-

Assumptions	Discou	nt rate	Future S	Salary	Withdrav	val Rate
Sensitivity Level	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation (₹ in Crore)	(23.33)	28.10	26.26	(22.41)	(9.10)	10.55

The Company expects to contribute ₹ 19 Crore (Previous Year ₹ 18 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligation are as follows:

Gratuity - as at 31.03.2019 is 14 years (as at 31.03.2018: 14 years).

End of Service Benefit- as at 31.03.2019 is 16 Years.

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

(₹ in Crore)

Particulars	Gratuity (Funded)	End of Service Benefit (Unfunded)
01 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020	13.68	4.54
01 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2021	12.51	1.37
01 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022	11.14	1.34
01 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023	10.11	1.67
01 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	11.17	1.18
01 <sup>st</sup> April 2024 Onwards	180.37	13.68

### (c) Provident fund managed by a trust set up by the Company:

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below, there is no short fall as at 31.03.2019.

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

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Plan assets at year end, at fair value	69.24	55.35
Present value of defined obligation at year end	69.24	55.35
Liability recognized in the Balance Sheet	-	-

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

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Discount Rate	6.50%	7.00%
Expected Guaranteed Interest Rate	8.65%	8.55%
Expected Rate of Return on Assets	8.65%	8.60%

<sup>(</sup>d) Amount recognized as an expense in respect of leave encashment and compensated absences are ₹ 20.82 crore (₹ 14.87 crore for Year ended 31.03.2018).

### 44. PROVISION FOR MINES RECLAMATION EXPENSES

(₹ in Crore)

Particulars	2018-19	2017-18
Opening Balance	6.65	6.38
Add: Provision made during the year (Refer Note 33)	0.56	0.70
Add: Unwinding of Discount of Provision (Refer Note 32)	0.50	0.48
Less: Utilized during the year	0.48	0.91
Closing Balance	7.23	6.65

### **45. SEGMENT REPORTING**

A. The Company has two reportable segments, namely Cement and Power. Revenue, Results and other information:

(₹ in Crore)

Particulars		2	018-19		2017-18			
	Cement*	Power	Inter Segment Eliminations	Total	Cement*	Power	Inter Segment Eliminations	Total
External Sales	11,752.77	801.88	-	12,554.65	9,726.52	433.01	-	10,159.53
Inter Segment Revenue	-	1,182.25	(1,182.25)	-	-	1,017.06	(1,017.06)	-
Total Revenue	11,752.77	1,984.13	(1,182.25)	12,554.65	9,726.52	1,450.07	(1,017.06)	10,159.53
Results								
Segment Results (Profit before Exceptional Items, Finance Costs and Tax)	529.65	799.09	-	1,328.74	958.97	672.54	-	1,631.51
Add: Un-allocated Income								
Interest Income				165.27				209.26
Dividend Income				52.84				82.52
Fair Value gain/(loss) on FVTPL Financial Assets				14.84				2.68
Net Gain on Sale of Investments				9.94				36.43
Less: Exceptional Items				178.13				-
Less: Finance Costs				247.86				135.27
Profit Before Tax				1,145.64				1,827.13
Less : Tax Expenses				130.59				442.98
Profit After Tax				1,015.05				1,384.15
Segment Assets	10,978.97	980.99	-	11,959.96	7,899.85	785.31	-	8,685.16
Un-allocated Assets				3,533.09				6,456.51
Total Assets				15,493.05				15,141.67
Segment Liabilities	2,019.48	146.61	-	2,166.09	2,005.16	263.63	-	2,268.79
Un-allocated Liabilities and Provisions				3,593.73				3,976.22
Total Liabilities				5,759.82				6,245.01
Depreciation and Amortization	1,299.97	171.84	-	1,471.81	852.77	46.63	-	899.40
Capital expenditure	1,621.45	404.17	-	2,025.62	2,456.04	199.55	-	2,655.59
Significant Non -Cash Expenses other than Depreciation and Amortization	-	-	-	-	-	-	-	-

<sup>\*</sup> the figures of cement segment includes those of Autoclaved Aerated Concrete (AAC) Block business being a cementitious product.

### **Reconciliation of Assets:**

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Segment Assets	11,959.96	8,685.16
Investments (Current & Non Current)	2,285.63	5,434.08
Cash and Cash Equivalents	142.20	51.77
Bank Balances other than Cash and Cash Equivalents	297.09	69.20
Derivative Financial Instruments	22.73	3.80
Fixed Deposits with Banks (maturity more than 12 months)	-	200.00
Interest Accrued on Bonds, Debentures and Deposits	58.32	74.27
Other Current Financial Assets - Others	3.47	10.06
Deferred Tax Assets (Net)	612.64	513.05
Non- Current Tax Assets (Net)	111.01	100.28
Total Assets	15,493.05	15,141.67

### **Reconciliation of Liabilities:**

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Segment Liabilities	2,166.09	2,268.79
Borrowings (Current & Non Current)	2,781.71	3,393.99
Deferred Tax Liabilities (Net)	0.25	-
Current maturities of Long Term Debt & Lease Obligation	20.96	8.99
Interest Accrued but not Due on Borrowings	5.93	6.50
Security Deposits from Customers, Vendors & Others (Current & Non Current)	612.51	499.96
Liabilities for Current Tax (Net)	22.25	22.25
Unpaid Dividends	14.88	3.74
Derivative Financial Instruments (Current & Non Current)	135.24	40.79
Total Liabilities	5,759.82	6,245.01

### B. Geographical information are given below:

(₹ in Crore)

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Revenue from Operations		
Within India	11,650.82	10,037.97
Outside India	903.83	121.56
Total	12,554.65	10,159.53
Non- Current Assets		
Within India	6,056.25	5,456.24
Outside India	1,660.06	-
Total	7,716.31	5,456.24

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

### 46. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

### Relationships:

(a) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i)	The Kamla Company Limited	(x)	Didwana Investment Co. Ltd
(ii)	Shree Capital Services Ltd.	(xi)	Ragini Finance Limited
(iii)	Aqua Infra Project Limited	(xii)	Western India Commercial Co. Ltd
(iv)	Alfa Buildhome Pvt. Ltd.	(xiii)	Mannakrishna Investment Pvt. Ltd
(v)	Rajasthan Forum	(xiv)	Digvijay Finlease Limited
(vi)	The Bengal	(XV)	Asish Creations Private Limited
(vii)	Sant Parmanand Hospital	(xvi)	Didu Investments Pvt. Ltd
(viii)	N.B.I. Industrial Finance Company Limited	(xvii)	The Venktesh Company Limited
(jx)	Raiesh Vaniiva Private Limited	(xviii)	Newa Investments Private Limited

### (b) Key Management Personnel:

(i) Shri H. M. Bangur Managing Director(ii) Shri Prashant Bangur Joint Managing Director

(iii) Shri P. N. Chhangani Whole Time Director (w.e.f. 30.07.2018)

### (c) Relatives to Key Management Personnel:

(i) Shri B. G. Bangur Father of Shri H.M. Bangur

### (d) Post Employment Benefit Plan Trust:

 $\hbox{(ii)} \qquad \text{Shree Cement Staff Provident Fund} \qquad \qquad \hbox{(iii)} \qquad \text{Shree Cement Ltd., Superannuation Scheme}$ 

(ii) Shree Cement Employees Group Gratuity Scheme



### Disclosure of Related Party Transactions:

### (a) Details of transactions with related parties:

(₹ in Crore)

·		(K III CI OI E
Particulars	2018-19	2017-18
Sale of Goods/Material		
- Entities controlled/ influenced by KMP	0.01	0.13
Services Received		
- Entities controlled/ influenced by KMP	1.76	1.23
Payment of office rent		
- Entities controlled/ influenced by KMP	2.77	2.60
Purchase of spares		
- Entities controlled/ influenced by KMP	0.01	-
Contributions towards social activities		
- Entities controlled/ influenced by KMP	0.69	0.85
Reimbursement Towards Purchase of equity shares of a subsidiary		
- Entities controlled/ influenced by KMP	59.00	-
Reimbursement of Expenses		
- Entities controlled/ influenced by KMP	0.15	-
Security deposit given		
- Entities controlled/ influenced by KMP	-	0.18

### (b) Details of balances with related parties

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Security deposit receivable		
- Entities controlled/ influenced by KMP	0.63	0.63

### (c) Key Management Personnel:

(₹ in Crore)

		(CITICIOIC)
Particulars	2018-19	2017-18
Short Term Benefits	68.55	59.54
Post - Employment Benefits*	3.31	2.52
Total	71.86	62.06

<sup>\*</sup>As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

### (d) Relatives to Key Management Personnel:

(₹ in Crore)

		(( 111 01010)
Particulars	2018-19	2017-18
Director Commission, Sitting Fee and Reimbursement of Expenses	0.46	0.38

### (e) Refer note 43 for information on transactions with post-employment benefit plans.

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Company has not recorded any loss allowances for receivables relating to related parties.

### 47. EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

(₹ in Crore)

**Particulars** For the Year For the Year ended 31.03.2019 ended 31.03.2018 Profit Before Tax 1,145.64 1,827.13 Applicable Statutory Enacted Income Tax Rate 34.944% 34.608% Computed Tax Expense 400.33 632.33 Increase/(Reduction) in Taxes on Account of Additional Allowances for Tax Purpose (14.23)(4.67)Items (Net) not Deductible for Tax/not Liable to Tax (189.93)(252.30)Tax losses Unutilized / Items Taxed at Different Rate (5.39)(13.44)Tax Expense Relating to Earlier Years (Net) (2.69)0.30 Others (4.69)27.95 **Income Tax Expense Reported** 130.59 442.98

**48.** Changes in liabilities arising from financing activities, including both changes arising from cash flows and non- cash changes as per Ind AS 7- Statement of Cash flows are shown below:

(₹ in Crore)

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Opening Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	3,384.73	1,270.34
Changes from Financing cash flows (excluding interest and dividend payment)	(759.14)	2,035.33
The effect of changes in foreign exchange rates	149.76	67.17
Others (includes new finance lease, finance charge thereon and amortization of transaction cost on borrowings)	2.84	11.89
Closing Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	2,778.19	3,384.73

### **49. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31.03.2019 compare to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity (net of deferred tax assets and deferred tax liabilities) and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

(₹ in Crore)

Particulars	As at 31.03.2019	As at 31.03.2018
Equity Share Capital	34.84	34.84
Other Equity (net of Deferred tax Assets and Deferred Tax Liabilities)	9,023.52	8,348.77
Total Equity	9,058.36	8,383.61
Long Term Debt (Including Current Maturities)	2,330.00	2,217.12
Debt to Equity Ratio	0.26	0.26

### 50. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Crore)

Particulars	As at 31	.03.2019	As at 31.03.2018		
	Carrying Value	Fair Value	Carrying Value	Fair Value	
Financial Assets Classified at Fair Value Through Profit or Loss					
Investments in Mutual Funds and Preference Shares	487.96	487.96	3,124.54	3,124.54	
Derivatives not Designated as Hedges					
Forward Contracts	0.01	0.01	3.80	3.80	
Derivatives Designated as Hedges					
Cross Currency and Interest Rate Swaps	22.72	22.72	-	-	
Financial Assets Classified at Amortized Cost					
Investments in Bonds and Debentures	1,797.67	1,829.33	2,309.54	2,381.06	
Loans	62.93	62.93	56.60	56.60	
Trade Receivables	1,023.71	1,023.71	459.25	459.25	
Cash and Cash Equivalents and Other Bank Balances	439.29	439.29	120.97	120.97	
Other Financial Assets	111.87	111.87	289.19	296.34	
Total Financial Assets	3,946.16	3,977.82	6,363.89	6,442.56	
Financial Liabilities Classified at Fair Value Through Profit or Loss					
Derivatives not Designated as Hedges					
Forward Contracts	0.94	0.94	12.21	12.21	
Derivatives Designated as Hedges					
Cross Currency and Interest Rate Swaps	134.30	134.30	28.58	28.58	
Financial Liabilities Classified at Amortized Cost					
Non-Current Borrowings at Floating Rate	1,754.90	1,754.90	1,647.45	1,647.45	
Non-Current Borrowings at Fixed Rate	554.14	543.66	560.68	561.66	
Current Maturities of Long Term Debt	19.50	19.50	7.53	7.53	
Current Maturities of Finance Lease Obligation	1.46	1.46	1.46	1.46	
Short Term Borrowings	472.67	472.67	1,185.86	1,185.86	
Trade Payables	538.19	538.19	727.28	727.28	
Other Financial Liabilities	1,040.52	1,040.52	887.44	887.44	
Total Financial Liabilities	4,516.62	4,506.14	5,058.49	5,059.47	

### Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.
- b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.
- c) The fair value of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivatives counterparties and believe them to be insignificant and not warranting a credit adjustment.
- d) The fair values of mutual funds are at published Net Asset Value (NAV).

### Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consists mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e., unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial asset and liabilities grouped into Level 1 to Level 3 as described below:

### Assets and Liabilities Measured at Fair Value (Accounted)

(₹ in Crore)

Particulars		As at 31.03.2019					
	Level 1	Level 2	Level 3	Total			
Financial Assets Measured at Fair Value							
Investments							
Mutual funds	261.91	-	-	261.91			
Preference Shares	-	226.05	-	226.05			
Derivatives not Designated as Hedges	-	0.01	-	0.01			
Derivatives Designated as Hedges	-	22.72	-	22.72			
Financial Liabilities Measured at Fair Value							
Derivatives not Designated as Hedges	-	0.94	-	0.94			
Derivatives Designated as Hedges	-	134.30	-	134.30			

(₹ in Crore)

Particulars	As at 31.03.2018			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	2,514.14	-	-	2,514.14
Preference Shares	-	610.40	-	610.40
Derivatives not Designated as Hedges	-	3.80	-	3.80
Derivatives Designated as Hedges	-	-	-	-
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	12.21	-	12.21
Derivatives Designated as Hedges	-	28.58	-	28.58

### Fair Value of Assets and Liabilities Classified at Amortized Cost (only disclosed)

(₹ in Crore)

Particulars	As at 31.03.2019				
	Level 1 Level 2 Level 3				
Financial Assets					
Investments in Bonds and Debentures	-	1,829.33	-	1,829.33	
Loans	-	62.93	-	62.93	
Other Financial Assets	-	111.87	-	111.87	
Financial Liabilities					
Non-Current Borrowings at Fixed Rate	-	543.66	-	543.66	
Other Financial Liabilities	-	1,040.52	-	1,040.52	

(₹ in Crore)

Particulars	As at 31.03.2018					
	Level 1	Level 2	Level 3	Total		
Financial Assets						
Investments in Bonds and Debentures	-	2,381.06	-	2,381.06		
Loans	-	56.60	-	56.60		
Other Financial Assets	-	296.34	-	296.34		
Financial Liabilities						
Non-Current Borrowings at Fixed Rate	-	561.66	-	561.66		
Other Financial Liabilities	-	887.44	-	887.44		

During the year ended 31.03.2019 and 31.03.2018, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter parties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31.03.2019 and 31.03.2018, respectively:

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments- Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments-not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments- Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments- not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

### Fair Value of Assets and Liabilities classified at Amortized Cost (only disclosed)

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets - Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities - Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

### 51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

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 senior management and the Audit and Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

### Market risk and sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at 31.03.2019 and 31.03.2018.

The sensitivity analysis excludes the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities exposes it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuation and interest rates. The Company has taken External Commercial Borrowings of USD 25 crore on 28.03.2018 for which there was no forward cover taken against the exposure of currency risk as on 31.03.2018. The Company has taken currency swaps for External Commercial Borrowings of USD 25 crore during the current year and designated as cash flow hedges.

### Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations and Buyer's credit obligations with floating interest rates. There is no buyer's credit outstanding as at 31.03.2019.

The Company's policy is to manage its floating interest rate on foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount.

The following table demonstrates the sensitivity to a reasonably possible changes in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Crore)

Increase / Decrease in Basis Points	Effect on Profit Before Tax
+50	-
-50	-
+50	(0.71)
-50	0.71
	+50 -50 +50

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

### Foreign currency risk and sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore, exposed to foreign exchange risk. The Company uses cross currency swaps and forward currency contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non- designated foreign currency derivatives.

The following tables demonstrates the sensitivity in the USD, JPY, EURO, GBP and CHF to the Indian Rupee with all other variable held constant.

### For the Year ended 31.03.2019

Particulars	Effect on Profit Before Tax (₹ in crore)				rore)
	USD	JPY	EURO	GBP	CHF
Change in Currency Exchange Rate					
+5%	(2.14)	0.70	0.03	(0.01)	0.05
-5%	2.14	(0.70)	(0.03)	0.01	(0.05)

### For the Year ended 31.03.2018

Particulars	Effect on Profit Before Tax (₹ in crore)				гоге)
	USD	JPY	EURO	GBP	CHF
Change in Currency Exchange Rate					
+5%	(98.13)	1.79	0.12	(0.01)	0.14
-5%	98.13	(1.79)	(0.12)	0.01	(0.14)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

### Credit risk

Credit risk is the risk that the counter party will not meet its obligation 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 investing activities including deposits with banks, mutual funds and other financial instruments.

### Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances, security deposits, bank guarantee, letter of credits and security cheques from its customers which mitigate the credit risk to an extent.

The ageing of trade receivables are as below:

(₹ in Crore)

Particulars	Neither Due nor Impaired		Total		
		Up to 6 months	6 to 12 months	Above 12 months	
Trade Receivables					
As at 31.03.2019					
Secured	366.03	73.13	4.08	0.91	444.15
Unsecured	368.40	164.49	47.01	7.72	587.62
Gross Total	734.43	237.62	51.09	8.63	1,031.77
Allowance for doubtful trade receivables					8.06
Net Total	734.43	237.62	51.09	8.63	1,023.71
As at 31.03.2018					
Secured	222.02	47.85	3.32	0.80	273.99
Unsecured	142.63	36.09	0.56	6.88	186.16
Gross Total	364.65	83.94	3.88	7.68	460.15
Allowance for doubtful trade receivables					0.90
Net Total	364.65	83.94	3.88	7.68	459.25

### Movement in Allowance for Doubtful Trade Receivables are given below:

(₹ in Crore)

Particulars	2018-19	2017-18
Opening Balance	0.90	0.47
Add: On Account of Business Combination	6.56	-
Add: Effect of exchange rate on consolidation of Foreign Subsidiaries	0.03	-
Add: Provision made during the year (Refer note 33)	0.57	0.43
Less: Utilized during the year	-	-
Closing Balance	8.06	0.90

### Financial Instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is  $\ref{3.946.16}$  crore as at 31.03.2019 and  $\ref{6.363.89}$  crore as at 31.03.2018, which is the carrying amounts of cash and cash equivalents, other bank balances, investments, trade receivables, loans and other financial assets.

### Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

As at 31.03.2019

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	492.17	2,120.31	192.14	2,804.62
Finance Lease Obligation	1.52	6.08	1.37	8.97
Trade Payables	538.19	-	-	538.19
Derivative Financial Instruments	0.94	119.23	15.07	135.24
Other Financial Liabilities	440.62	599.90	-	1,040.52
Total	1,473.44	2,845.52	208.58	4,527.54

### As at 31.03.2018

(₹ in Crore)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	1,193.39	1,364.78	849.19	3,407.36
Finance Lease Obligation	1.52	6.08	2.88	10.48
Trade Payables	727.28	-	-	727.28
Derivative Financial Instruments	12.21	14.09	14.49	40.79
Other Financial Liabilities	390.47	496.97	-	887.44
Total	2,324.87	1,881.92	866.56	5,073.35

### **52. DERIVATIVE FINANCIAL INSTRUMENTS**

The details of derivative financial instrument outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31.03.2019	As at 31.03.2018
Forward Contracts	Buyers Credit	USD	-	15.65
		USD	0.01	0.28
	Imports	JPY	22.08	56.84
		EURO	0.08	0.03
		CHF	0.01	0.04
Cross Currency & Interest Rate Swaps	ECB	USD	8.00	8.00
	ECB	SGD	9.81	9.81
Interest Rate Swaps	ECB	USD	17.50	17.50
Cross currency swaps	ECB	USD	25.00	-

### Cross Currency & Interest Rate Swaps and Interest Rate Swaps

The objective of cross currency & interest rate swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

- i. An economic relationship between the hedged item and the hedging instrument
- ii. The effect of credit risk
- iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 20 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above swaps are as under:

(₹ in Crore)

Particulars	As at 31.	.03.2019	As at 31.	03.2018
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swap	22.72	134.30	-	28.58

The movement of Effective Portion of Cash Flow Hedges are shown below:

(₹ in Crore)

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Opening Balance	(13.67)	(10.52)
Gain/(loss) recognized on cash flow hedges	(164.59)	(35.37)
Income tax relating to gain/(loss) recognized on cash flow hedges	57.52	12.36
Reclassified to Statement of Profit and Loss#	129.54	30.45
Income tax relating to Reclassified to Statement of Profit and Loss	(45.27)	(10.64)
Effect of change in tax rate	-	0.05
Closing Balance	(36.47)	(13.67)

#₹48.69 crore (Previous year ₹ (0.54) crore) to Foreign Exchange Rate Differences and ₹ 80.85 crore (Previous Year ₹ 30.99 crore) to Finance Cost.

### **Foreign Currency Forward Contracts**

The Company has taken buyers' credit. These buyers' credit are denominated in foreign currency. In order to protect itself from volatility in exchange rate, the Company enters into forward contract to buy notional foreign currency on each payment date as agreed in the loan contract. The Company also enters into other forward contracts with intention to reduce the foreign exchange risk of expected purchases. There is no buyer's credit outstanding as at 31.03.2019.

The foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

The fair value of foreign currency forward contracts are as under:

(₹ in Crore)

Particulars	As at 31	.03.2019	As at 31.0	3.2018
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	0.01	0.94	3.80	12.21

The gain/ (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognized in the Statement of Profit and Loss is  $\ref{eq:profit}$  9.33 crore for the Year ended 31.03.2019 ( $\ref{eq:profit}$  5.95 crore for the Year ended 31.03.2018).

### 53 COLLATERALS

Inventory, Trade Receivables, Other Financial Assets, Property, Plant and Equipment are pledged / hypothecated as collateral/security against the borrowings. Refer Note 20 and 25.

### 54. EARNINGS PER SHARE (EPS)

### A. Basic and Diluted EPS:

Particulars		2018-2019	2017-2018
Profit or Loss attributable to the Owners of the Company	₹ in crore	1,006.39	1,384.15
Equity Share Capital	₹ in crore	34.84	34.84
Weighted average number of equity shares outstanding (Face value of ₹ 10/- per share)	Nos.	3,48,37,225	3,48,37,225
Earnings Per Share - Basic and Diluted	₹	288.88	397.32

- Cash EPS: (Profit for the year attributable to the Owners of the Company+ Depreciation and Amortisation Expense (Net of ₹ 1.82 crore of Non-Controlling Interest)+Deferred Tax+ Exceptional Items)/ Weighted average number of equity shares outstanding. m
- Previous year figures have been regrouped and rearranged wherever necessary. 55.
- 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 crore. 56.
- Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures (Form AOC-1-Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) 57.

# Part -A Subsidiaries

	Part -A Subsidiaries												(₹ in Crore)
S. Š	Sr. Name of the No. Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest- ments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of share holding
Н	Shree Global Pte. Ltd.*	OSD	1		1		,	1	(0.03)	,	(0.03)		ı
2	Shree Global FZE	AED	2,100.19	3.38	2,103.61	0.04	2,098.93	53.11	3.52	1	3.52		100.00%
m	Shree Enterprises Management Ltd.	AED	17.98	(0.05)	18.05	0.12	17.98		(0.05)	•	(0.05)	1	100.00%
4	Shree International Holding Ltd	AED	34.59	2,063.50	2,098.44	0.35	2,098.23	1	(0.85)	1	(0.85)	1	100.00%
2	Union Cement Company PJSC^	AED	1,260.88	575.05	1,991.03	155.10	2.83	781.03	58.53		58.53	1	97.61%
9	Union Cement Norcem Company Limited L.L.C.^	AED	4.71	19.21	34.34	10.42	1	84.68	18.30		18.30	1	%09
_	Raipur Handling and Infrastructure Private Limited@	INR	1.05	13.13	17.59	3.41	90:0	3.59	1.30	0.22	1.08	1	100.00%

\*Liquidated w.e.f. 11.03.19.

^Profit and Loss Items pertains to the period from  $11^{\rm th}$  July, 2018 to  $31^{\rm st}$  March, 2019.

® Profit and Loss Items pertains to the period from 14<sup>th</sup> May, 2018 to 31<sup>st</sup> March, 2019.

Note - For converting the figures given in foreign currency appearing in the accounts of the subsidiary company into equivalent INR, following exchange rates are used.

Balance Sheet (Closing rate)	18.835
Currency	Arab Emirates Dirham (AED)- Indian Rupee

Part B of the Form AOC-I is not applicable as there are no associate companies/Joint Ventures of the Company as on 31.03.2019.

**58.** Additional information, as required under Schedule III of the Companies Act, 2013 of Enterprises consolidated as Subsidiary/ Associates/Joint Ventures

Name of the Company	Net Assets (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	₹ in Crore	As % of Consolidated Profit or (Loss)	₹ in Crore	As % of Consolidated Other Comprehe- nsive Income	₹ in Crore	As % of Consolidated Total Comprehensive Income	₹ in Crore
Parent								
Shree Cement Limited	98.60%	9,597.39	93.69%	951.05	161.70%	(19.51)	92.88%	931.54
Subsidiaries - Indian								
Raipur Handling and Infrastructure Private Limited	0.15%	14.18	0.11%	1.08	-	-	0.11%	1.08
Subsidiaries - Foreign								
Shree Global Pte. Limited*	-	-	-	(0.03)	-	-	-	(0.03)
Shree Global FZE	21.61%	2,103.57	0.35%	3.52	-	-	0.35%	3.52
Shree Enterprises Management Ltd.	0.18%	17.93	(0.01)%	(0.05)	-	-	(0.01)%	(0.05)
Shree International Holding Ltd.	21.56%	2,098.09	(0.08)%	(0.85)	-	-	(0.08)%	(0.85)
Union Cement Company PJSC	18.86%	1,835.93	5.77%	58.53	(4.06)%	0.49	5.88%	59.02
Union Cement Norcem Company Limited L.L.C.	0.25%	23.92	1.80%	18.30	-	-	1.82%	18.30
Non- Controlling Interests in all Subsidiaries	0.64%	62.48	0.85%	8.66	(0.78)%	0.09	0.87%	8.75
Adjustment due to consolidation	(61.85)%	(6,020.25)	(2.48)%	(25.16)	(56.86)%	6.86	(1.82)%	(18.30)
TOTAL	100.00%	9,733.23	100.00%	1,015.05	100.00%	(12.07)	100.00%	1,002.98

<sup>\*</sup>Liquidated w.e.f. 11.03.2019.

### 59. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend proposed to be distributed

(₹ in Crore)

Particulars	As at 31.03.2019 (Note 1)	As at 31.03.2018 (Note 2)
Dividend Proposed for Equity Shareholders	121.93	104.51
Dividend Tax	25.06	21.48
Total	146.99	125.99

Note 1:₹35 per share for FY 2018-2019 Note 2:₹30 per share for FY 2017-2018

### 60. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crore)

			(Cili Ciore)
Sr. No.	Particulars	As at 31.03.2019	As at 31.03.2018
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	2.11	7.50
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	2.11	7.50
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 61. LEASES

### (a) Finance Lease (Land) - Company as lessee

(₹ in Crore)

Particulars	As at 3	1.03.2019	As at 31.03.2018		
	Minimum Lease Payments	Present Value of Minimum Lease Payment	Minimum Lease Payments	Present Value of Minimum Lease Payments	
Within One year	1.52	1.46	1.52	1.46	
After one year but not more than five years	6.08	4.72	6.08	4.86	
More than five years	1.37	0.84	2.88	1.59	
Total minimum lease payments	8.97	7.02	10.48	7.91	
Less: Amounts representing finance charges	1.95		2.57		
Present Value of Minimum Lease payments	7.02		7.91		

### (b) Operating Leases - Company as lessee

(a) Future minimum rental payables under non-cancellable operating lease-Land

(₹ in Crore)

		(VIII CIOIE)
Particulars	As at 31.03.2019	As at 31.03.2018
Within One year	3.77	-
After one year but not more than five years	15.07	-
More than five years	167.73	-

- (b) General Description of Leasing Agreements:
  - (i) Leased Assets-Land, residential premises, office premises and warehouses
  - (ii) Future Lease rentals are determined on the basis of agreed terms
  - (iii) Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms

As per our report of even date

For Gupta & Dua Chartered Accountants Firm's Registration No. 003849N

Mukesh Dua

Partner

Membership No. 085323

Place: Kolkata Date: 18<sup>th</sup> May, 2019 Signature to Note 1 to 61 For and on behalf of the Board

B. G. Bangur Chairman DIN: 00244196

S. S. Khandelwal

Company Secretary

H. M. Bangur Managing Director

DIN: 00244329

O. P. Setia

Independent Director & Chairman of Audit and Risk Management Committee

Prashant Bangur

DIN: 00403621

Joint Managing Director

DIN: 00244443

Subhash Jajoo Chief Finance Officer

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# **RATIO ANALYSIS**

### FINANCIAL PERFORMANCE RATIOS

	2014-15	2015-16	2016-17	2017-18	2018-19
Raw Material Cost / Net Turnover (%)	11.47	11.48	10.71	10.20	10.02
Power & Fuel Cost / Net Turnover (%)	24.48	20.37	16.80	20.13	23.42
Freight / Net Turnover (%)	21.62	20.71	21.81	25.68	24.43
Manpower & Admin Cost / Net Turnover (%)	9.69	9.75	9.92	8.72	9.60
Finance Cost / Net Turnover (%)	1.87	1.37	1.51	1.38	2.11
Profit Before Depreciation & Tax (With other Income)/ Net Turnover (%)	21.09	36.34	31.95	27.73	22.62
Profit Before Depreciation & Tax (Without other Income)/ Net Turnover (%)	18.95	24.14	27.74	23.77	20.52
Depreciation / Net Turnover (%)	14.33	15.01	14.13	9.15	11.87
Tax / Profit Before Tax (%)	(6.36)	2.82	12.52	24.24	10.35
Tax / Net Turnover (%)	(0.40)	0.60	2.23	4.50	1.11
Net Profit Margin (%)	6.61	20.73	15.58	14.08	8.11
Cash Profit / Net Turnover (%)	20.12	35.13	28.15	23.19	20.76
ROCE [PBIT (With other Income)/Avg. Capital Employed] (%)	7.64	20.47	17.85	16.83	9.82
ROCE [PBIT (Without other Income)/Avg. Capital Employed] (%)	5.62	9.47	13.96	13.49	8.00
Return on Net Worth (%)	7.36	22.85	16.75	16.47	9.61
Net Turnover/Average Capital Employed (%)	94.58	90.13	92.40	84.33	86.62
EBIDTA (With Other Income)/Net Turnover (%)	22.96	37.72	33.45	29.10	24.72
EBIDTA (Without Other Income)/Net Turnover (%)	20.82	25.52	29.24	25.15	22.63
Earnings Per Share (₹)	122.38	328.13	384.39	397.33	273.00
Cash Earning Per Share (₹)	372.81	556.02	694.45	654.47	698.54

### **BALANCE SHEET RATIOS**

	2014-15	2015-16	2016-17	2017-18	2018-19
Debt Equity Ratio (Times)	0.14	0.11	0.07	0.26	0.26
Debtors Turnover (Days)	26.94	16.39	14.23	17.05	22.81
Inventory Turnover (Days)	51.97	40.66	55.83	58.24	49.48
Current Ratio (Times)	1.54	1.56	1.65	1.92	2.01
Quick Ratio (Times)	0.91	0.86	0.99	1.39	1.21
Book Value Per Share (₹)	1,514.59	1,965.00	2,209.74	2,553.83	2,754.92

**Note:** Figures for the Financial Year 2015-16 (being 9 months period) have been annualized wherever necessary.

## CORPORATE INFORMATION

### **Board of Directors**

Shri B. G. Bangur

Shri H. M. Bangur

Shri Prashant Bangur

Shri P. N. Chhangani

Shri R. L. Gaggar

Shri O. P. Setia

Shri Shreekant Somany

Dr. Y. K. Alagh

Shri Nitin Desai

Dr. Leena Srivastava

Shri Sanjiv Krishnaji Shelgikar

### **Senior Executives**

Shri Diwakar Payal

Shri Sanjay Mehta

Shri Kuldeep Verma

Shri K. C. Gandhi

Shri Shrinath Savoor

Shri Arvind Khicha

Shri M. M. Rathi

Shri Vinay Saxena

Sill Villay Sakeri

Shri R. K. Agarwal

Shri Narip Bajwa

Shri Himanshu Dewan

Shri Sharad Rajvanshi

Shri R. N. Dani

Shri S. K. Soni

Shri K. K. Jain

Shri Sanjay Jain

Shri Satish Chander

Shri A. K. Gupta Shri P. K. Bhardwaj

Shri Sanjay Kumar Sharma

Shri S. K. Gupta

Shri Yogesh Mehta

Shri S. P. Nema

Shri Devendra Tripathi

Shri K. K. Talwar

Shri Anil Kaushik

Shri Arun Kumar Sinha

Shri K. L. Mahajan

Shri Rajesh Kumar Vijay

Shri Rajesh Sharma

- Chairman

Managing Director

- Joint Managing Director

Whole Time Director

\_ .. .. . . .

President (Marketing)

- President (Commercial) and

Chief Happiness Officer

- Joint President (Marketing)

- Joint President (Materials Management)

- Joint President (Strategy)

- Joint President (Commercial)

- Senior Vice President (Power Plants)

- Senior Vice President (Operations)

- Senior Vice President (Projects)

- Senior Vice President (Marketing)

- Senior Vice President (Marketing)

- Vice President (Marketing)

Vice President (Costing & MIS)

Vice President (Sales Accounts)

- Vice President (Accounts & Contract Cell)

Vice President (Operations)

Vice President (Operations)

- Vice President (Project - Civil)

- Vice President (P&A)

- Vice i resident (i &A)

Vice President (P&A)

Vice President (Project Accounts)

Vice President (Logistics)

Vice President (Project)

- Joint Vice President (Logistics)

- Joint Vice President (Marketing)

Joint Vice President (Marketing)Joint Vice President (Marketing)

John Vice i resident (Harneting)

- Joint Vice President (Operations)

Joint Vice President (Operations)

- Joint Vice President (Commercial)

### **Company Secretary**

Shri S. S. Khandelwal

### **Chief Finance Officer**

Shri Subhash Jajoo

### **Bankers**

Axis Bank Ltd.

HDEC Bank Ltd.

State Bank of India

ICICI Bank Ltd.

J P Morgan Chase Bank N.A.

MUFG Bank, Ltd.

Standard Chartered Bank

DBS Bank India Ltd.

**BNP Paribas** 

Sumitomo Mitsui Banking Corporation

**HSBC** Bank

### **Statutory Auditors**

M/s. Gupta & Dua, New Delhi

### **Secretarial Auditors**

M/s. P. Pincha & Associates, Jaipur

### Cost Auditors

M/s. K.G. Goyal & Associates, Jaipur

### **Internal Auditors**

M/s. P.K. Ajmera & Co., Ahmedabad

### **Registered Office**

Bangur Nagar, Beawar-305 901,

Distt. Ajmer, Rajasthan

Phone: +91-1462-228101-06

Fax: +91-1462-228117/19

Toll free no.: 1800 180 6003-04

website: www.shreecement.com

email: sclbwr@shreecement.com

### **Corporate Office**

21, Strand Road, Kolkata-700 001

Phone: +91-33-22309601-04

Fax: +91-33-22434226

email: sclcal@shreecement.com

### Mumbai Office

Unit No. 1110A, 11th Floor,

"C" Wing, One BKC Building,

Plot No. C-66, G-Block, BKC,

Bandra (East), Near MCA Club, Mumbai – 400 051

Phone: +91-22-26523455/57

email: gandhikc@shreecement.com

# **COMPANY'S PLANTS & MARKETING OFFICES**

### **Integrated Cement Plants and Power Plants**

Ras: Beawar: Bangur Nagar, Beawar – 305 901, Distt.: Ajmer, Rajasthan (India) Bangur City, Ras, Tehsil: Jaitaran-306 107, Distt.: Pali, Phone: +91-1462-228101-06 Rajasthan (India) | Phone: +91-1462-228101-06 Fax: +91-1462-228117 / 228119 Fax: +91-1462-228117 / 228119 Email: shreebwr@shreecement.com Email: shreebwr@shreecement.com Raipur: Kodla: Village Khapradih, Tehsil-Simga, Distt.: Balodabazar, Village Benkanhalli & Kodla, Post – Kodla, Taluka Sedam- 585222 Chhattisgarh (India) | Phone: +91-771-2430007 / 2430023 Distt.: Kalaburagi, Karnataka (India)

### **Split Grinding Units**

<b>Khushkhera:</b> Plot No. SP 3-II, A-1, RIICO Industrial Area, Khushkhera (Bhiwadi), Distt.: Alwar, Rajasthan.	Jobner (Jaipur):  Mahela-Jobner Road,  Village: Aslapur, Distt.: Jaipur, Rajasthan.
<b>Suratgarh:</b> Near N.H. 15, Udaipur Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan.	<b>Laksar (Roorkee):</b> Akbarpur-Oud, Distt.: Haridwar, Uttarakhand.
<b>Panipat:</b> Village – Khukhrarna, P.O. – Asan Kalan, Tehsil – Madlouda, Distt: Panipat, Haryana.	Aurangabad: Biada Industrial Growth Centre, Near Jasoia Mor, Post: Mojurahi, Distt.: Aurangabad, Bihar.

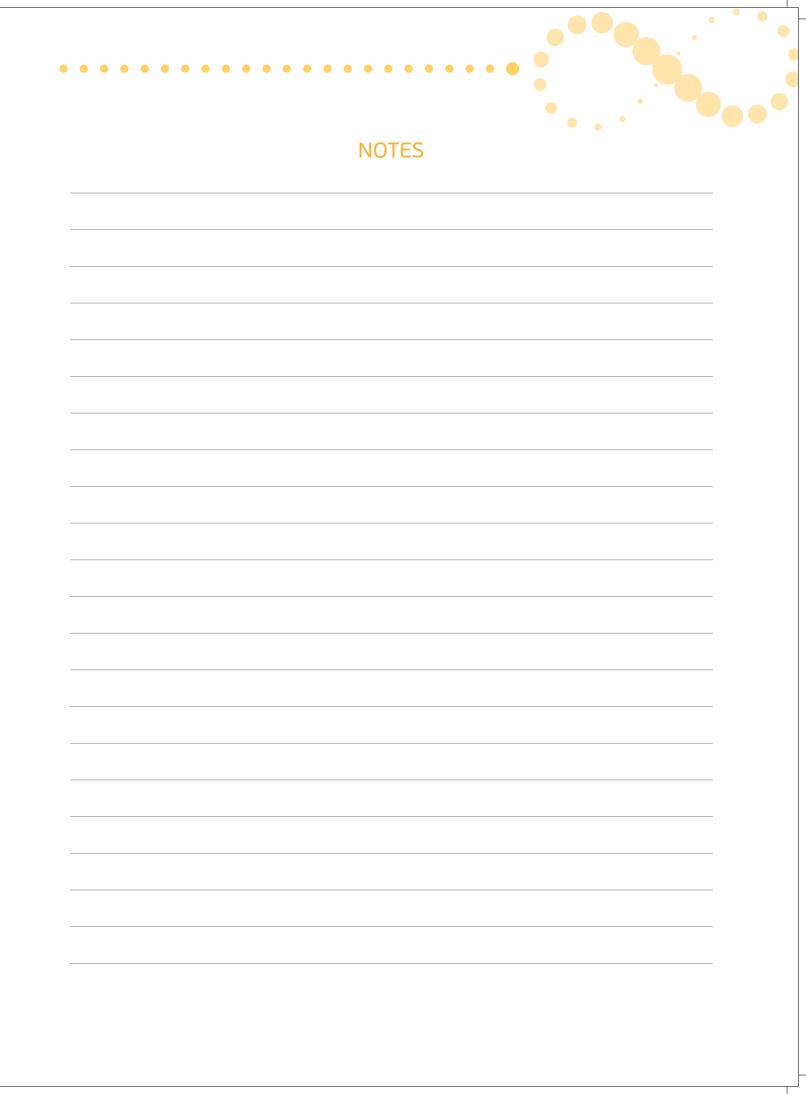
### Bulandshahr:

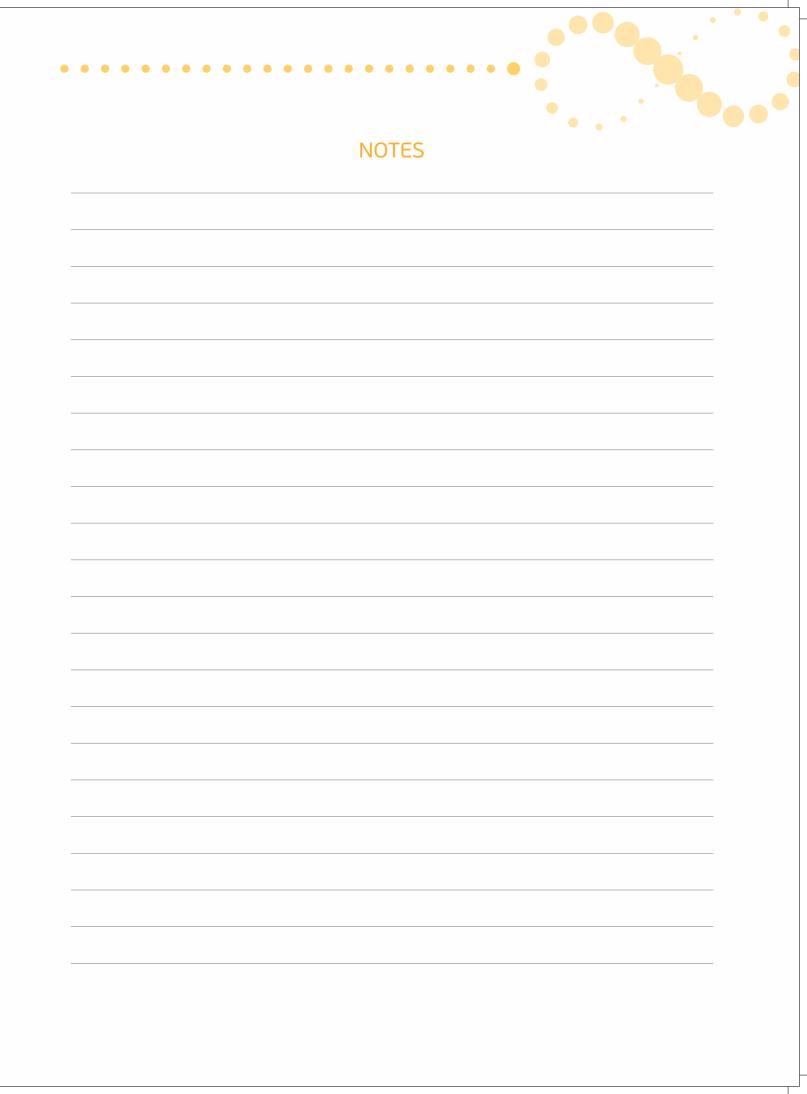
12, Sikandrabad Industrial Area, Sikandrabad,

Distt.: Bulandshahr, Uttar Pradesh.

### **Central Marketing Offices**

Shree Jung Rodhak Cement & Roofon	Bangur Cement & Bangur Power	Rockstrong Cement		
122-123, Hans Bhawan	6B, 6 <sup>th</sup> Floor, Hansalaya Building,	10-A, DCM Building,		
1 Bahadur Shah Zafar Marg,	15, Barakhamba Road,	16-Barakhamba Road, Connaught Place,		
New Delhi - 110 002	New Delhi - 110 001	New Delhi - 110 001		
Phone: +91-11-23370828, 23379829	Phone: +91-11-23702794-95	Phone: +91-11-23731084-85		













### **FEEDBACK FORM** Annual Report 2018-19

## SHREE CEMENT LIMITED

Regd. Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan) | Phone: EPABX +91-1462-228101-6 Fax: +91-1462-228117/119 | E-Mail: shreebwr@shreecement.com Website: www.shreecement.com | CIN: L26943RJ1979PLC001935

Name: e-mailid:					
Address:					
			_ Pin:		
DP ID:	Client ID:				
Folio No. (In case of physical holding):					
No. of Equity Shares held:					
				Signature o	f Member
	Excellent	Very Good	Good	Satisfactory	Needs improvement
Statutory Section					
- Board's Report & MDA, Report on Corporate Governance & BRR					
- Reporting of Financial Statements					
Non-Statutory Section					
- Theme of Annual Report					
- Chairman, MD, Jt. MD, Whole-Time Director and President (Marketing) Messages					
- Other theme based write-up					
Suggest what other issues should be covered in	the Report?				
Cura contata a conse if any unbana and a detaile ab					
Suggest the areas, if any, where more details sh	iould be reported:				
Please mail your feedback to:					
S S Khandelwal					

Company Secretary Shree Cement Limited Bangur Nagar, Beawar – 305 901, Distt. Ajmer, Rajasthan Ph: +91-1462-228101-06 Fax: +91-1462-228117/119

E-mail: <u>investor@shreecement.com</u>

