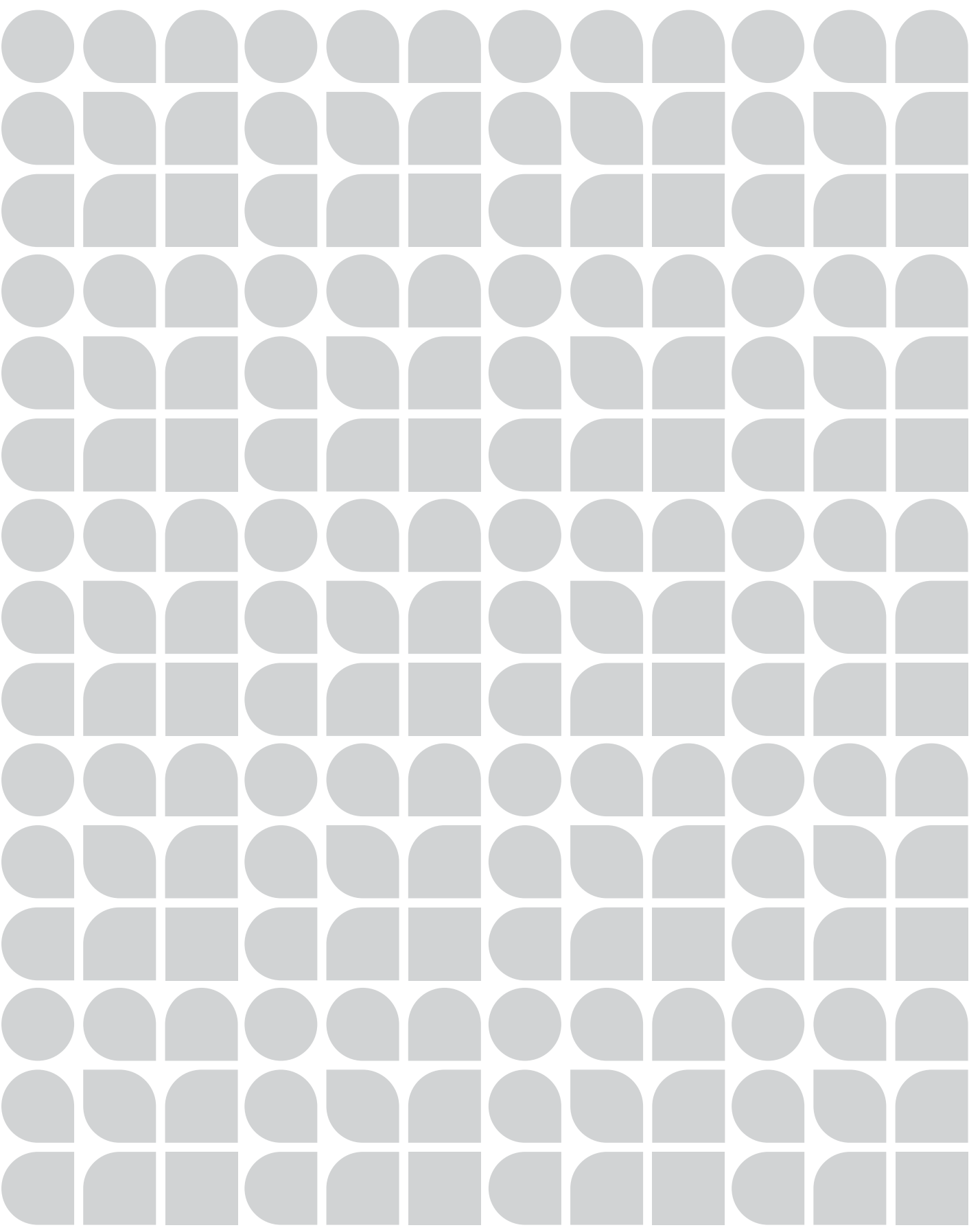


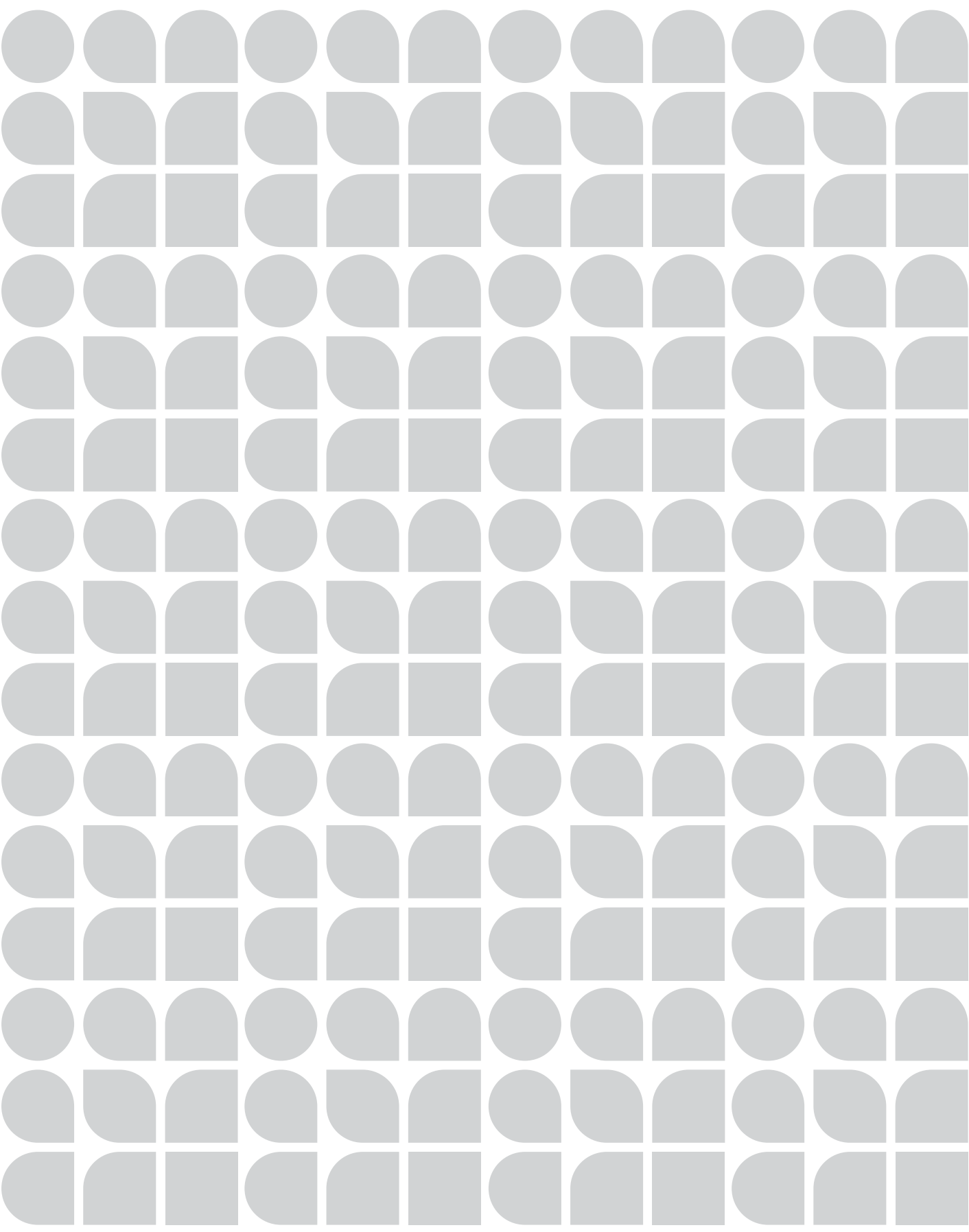


**BIRLA
CORPORATION
LIMITED**



ANNUAL REPORT AND ACCOUNTS 2018 -19



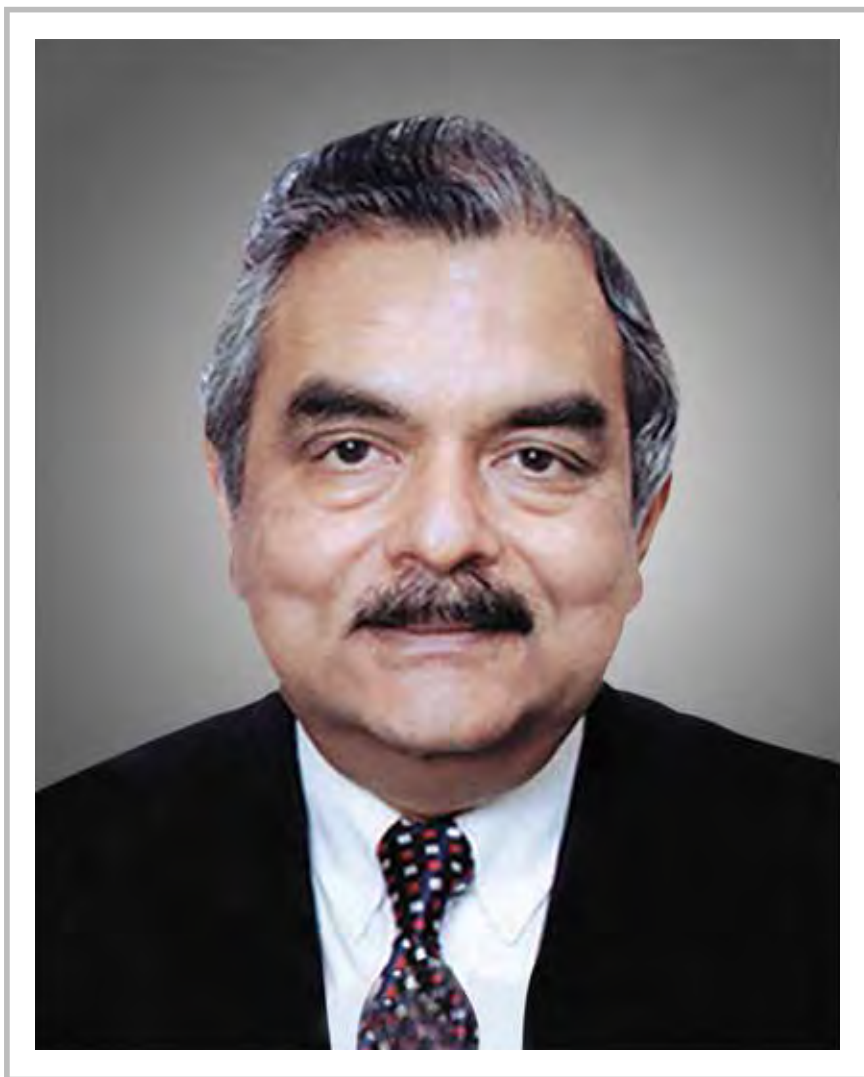




Madhav Prasadji Birla
(1918-1990)



Priyamvadaji Birla
(1928-2004)



Rajendraji S. Lodha
(1942-2008)



Shri Harsh V. Lodha
Chairman



Shri Pracheta Majumdar
Wholetime Director designated as
Chief Management Advisor



Shri Vikram Swarup



Shri Anand Bordia



Shri Brij Behari Tandon



Shri Dhruba Narayan Ghosh



Dr. Deepak Nayyar



Smt. Shailaja Chandra



Shri Dilip Ganesh Karnik



Shri Bachh Raj Nahar
Managing Director

----- **BOARD OF DIRECTORS** -----

Shri Harsh V. Lodha (DIN 00394094)
Chairman

Shri Pracheta Majumdar (DIN 00179118)
Wholetime Director designated as
Chief Management Advisor
Shri Vikram Swarup (DIN 00163543)
Shri Anand Bordia (DIN 00679165)
Shri Brij Behari Tandon (DIN 00740511)

Shri Dhruba Narayan Ghosh (DIN 00012608)
Dr Deepak Nayyar (DIN 00348529)
Smt. Shailaja Chandra (DIN 03320688)
Shri Dilip Ganesh Karnik (DIN 06419513)
Shri Bachh Raj Nahar (DIN 00049895)
Managing Director

----- **SENIOR MANAGEMENT TEAM** -----

Shri Sandip Ranjan Ghose
Chief Operating Officer

Shri Asim Chattopadhyay
Executive President
Operation

Shri Aditya Saraogi
Chief Financial Officer

Shri Rajesh Kakkar
Unit Head
Chanderia

Shri Bhaskar Bhattacharya
Unit Head
Satna

Shri Uttam Kumar Roy
Unit Head
Maihar

Shri Girish Sharma
Company Secretary

Smt. Susmita Bhattacharya
Head-Corporate (HR)

Shri Ghisa Ram Verma
President
Birla Jute Mills

AUDITORS

V. Sankar Aiyar & Co.
Chartered Accountants
New Delhi 110 008

CORPORATE OFFICE

1, Shakespeare Sarani (2nd Floor)
Kolkata – 700 071
Phone : (033) 6603 3300/01/02

**REGISTRAR & SHARE
TRANSFER AGENT**

MCS Share Transfer Agent Limited
383, Lake Gardens, 1st Floor
Kolkata – 700 045

REGISTERED OFFICE

Birla Building (3rd & 4th Floors)
9/1, R. N. Mukherjee Road
Kolkata – 700 001
Phone : (033) 6616 6729/37/38
E-mail : investorsgrievance@birlacorp.com
Website : www.birlacorporation.com
CIN : L01132WB1919PLC003334

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HEART & STRENGTH

‘Heart and Strength’ has been the credo of our 100-year journey. In celebrating the centenary of our group, we turn to the vision of our founders, Syt. Madhav Prasadji Birla and Smt. Priyamvadaji Birla, for inspiration. We build best-in-class enterprises, and leading educational and healthcare institutions, founded on strong ethical values and a culture of customer service. At Birla Corporation Limited, we endeavour to achieve the highest standards of operational excellence with the aim of making lasting contributions to society and value-creation for all our stakeholders. It is through this interplay of heart and strength that we remain committed to the ideals of our great founders.

Harsh V. Lodha
(Chairman)



VISION

To be admired for our culture,
ethics and performance.



MISSION

To be the best-in-class
player in every sector we operate in.



VALUES

Integrity | Professionalism |
Value Creation |
Social Commitment

PAVING THE WAY WITH HEART & STRENGTH



Completion of
100 years
with pathbreaking
performance.



2018

Celebrating 100 years of
Syt. Madhav Prasadji Birla.



2016

Launch of
MP Birla Cement brand
identity, and new
MP Birla Group logo.



2016

Acquisition of RCCPL in
Maihar, Kundanganj &
Butibori, taking
footprints of BCL across
12 states, with a capacity
of 15.5 MTPA.



1998

Foundation of
Raebareli Cement Works
followed by Raebareli
Hi-Tech Cement Works.



1967

Foundation of Birla
Cement Works.
Chanderia Cement Works
joined ranks soon after.



1974

Foundation of Durgapur
Cement Works.
Durga Hi-Tech
followed.



1957

Foundation of Satna
Cement Works.
Birthplace of Samrat
Cement.



1919

Foundation of Birla Jute
Mills, Birlapur, the
only Indian-owned jute
mill to have completed
100 years.

STRIDES, FROM STRENGTH TO STRENGTH

Story in nuts and bolts

Ebitda jumped 16.6% over previous year to cross ₹1,000 crore for the first time in the history of Birla Corporation Limited



₹ 1,028 cr
Ebitda



13.64 mt
Sales by volume

Sales by volume increased 10%, with consolidation in core markets

Net profit of ₹256 crore is result of higher volumes, improved realizations and operational efficiency



66%
Jump in net profit



89%
Capacity utilization

Jump in capacity utilization to 89% from 80% in previous year is among the highest in the industry

Increase in share of blended cement in sales by volume, by 5.5 percentage points led to better clinker to cement ratio



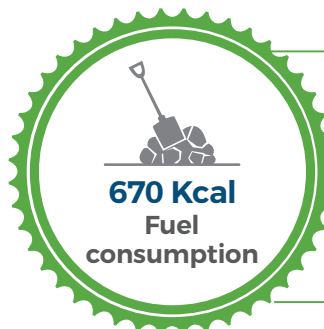
88.4%
Blended cement sales



33.7%
Fly ash content

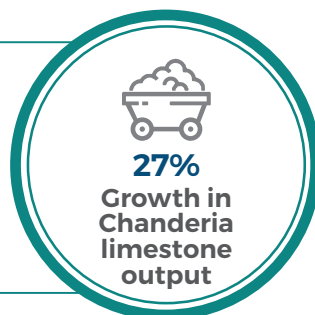
Increase in fly ash content in Portland Pozzolana Cement (PPC) from 32.9% a year ago meant higher absorption of fly ash, an environmental hazard; also led to reduced CO₂ emission and higher margins

Wheels of progress



Fuel consumption per ton of clinker at Maihar improved substantially making it one of the best in the industry

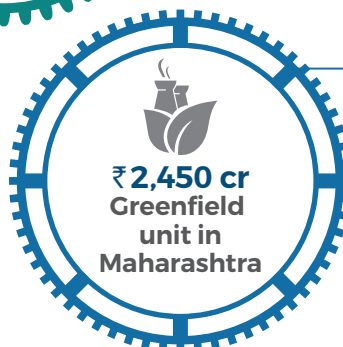
Sustained enhancement of mechanical extraction capacity at captive mines shored up profitability of Chanderia unit



Second production line at Kundanganj in Uttar Pradesh of 1.2 mt being set up to augment unit capacity to 3.6 mt and cater to expanding demand in key markets



Reduction in net debt to Ebitda from 3.91 in previous year, reflecting improvements in financials



Greenfield project at Mukutban in Maharashtra with an envisaged capacity of 3.9mt and captive power plant of 40 MW taken up to create new markets

CEMENTING STRENGTH, STRENGTHENING TRUST



Growth through integration

The acquisition of the erstwhile Reliance Cement Company Private Limited (RCCPL) was a watershed event in the life of Birla Corporation Limited (BCL). The coming together of BCL and RCCPL has created the critical mass for the next phase of growth through consolidation and synergies. Our plants are now operating at ~90% of their installed capacity, with quantum leap in profits. This has been made possible by seamless integration of manufacturing capabilities and commercial processes, as also by the merger of hearts of employees and channel partners of both organisations.



66% growth in net profit

Building dreams that endure

Protection of environment remains the prime concern in all our activities. Apart from strict adherence to all norms governing emission, effluent and pollution control, the Company walks the extra mile through initiatives like water conservation, afforestation and use of alternative fuels.

With the same objective of producing environmentally safe and friendly products, the Company has been progressively increasing the share of blended cement with higher absorption of fly ash and blast furnace slag. 'Green Cements', namely Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (which uses both fly ash and slag), account for around 90% of the Company's cement sales.



Pradhan Mantri Awas Yojana



Smart city for smart living

With the interests of the home-builders in our heart, we constantly strive to deliver a wide range of construction materials for every application and customer segments at different price points. While our super-premium and premium products are increasing market share, our value-for-money offerings have emerged as a popular choice for state-aided affordable and low-cost housing schemes such as Pradhan Mantri Awas Yojana and Smart Cities. We are proud to be a part of these nation-building initiatives.

NURTURING HEALTH, REINFORCING THE CORE

Strength from within

Healthcare has been embedded in our heart right from the beginning. We and our associates run 11 hospitals with more than 1,600 beds across the country. The latest addition to the list is the MP Birla Hospital & Research Centre, close to our Chanderia unit in Chittorgarh, Rajasthan. Equipped with state-of-the-art facilities and run by specialists and experts, our mission is to contribute to the wellness of the nation, with ethical medical services at affordable prices.



Priyamvada Birla
Cancer Research Institute -Satna

Established in 1991 as a multi-speciality care facility, MP Birla Hospital, Satna, was the first to set up a cancer care centre in 2008 - the Priyamvada Birla Cancer Research Institute - in the Vindhya region, complete with a sophisticated Radiology Department. Over the years, 25,000 OPD/IPD patients and 3,500 radiation patients have been treated, while more than 11,500 surgeries have been conducted.

As the hospital attracts many patients with limited financial means from nearby rural areas, Apni Rasoi (My Kitchen) is a unique concept that was introduced at Satna. A separate cooking area, as well as fuel, is provided for free to patients' relatives during their stay in the hospital.

About 800 underprivileged students have been covered by the Skill Development Programme in Medical Care, such as Nursing, Pathology and Radiology, in the Priyamvada Birla Community College, Satna.



11 hospitals, more than 1,600 beds

At the heart of good health

Affordable and inclusive healthcare is one of India's biggest challenges. We are proud to provide services at our hospitals under the Bhamasha Swasthya Bima Yojana. This implies that the underprivileged in Rajasthan, for instance, now have access to the same state-of-the-art healthcare as those who can afford it. Under the Government-funded insurance scheme,



Medical camp at Gopal Nagar, near Chittorgarh



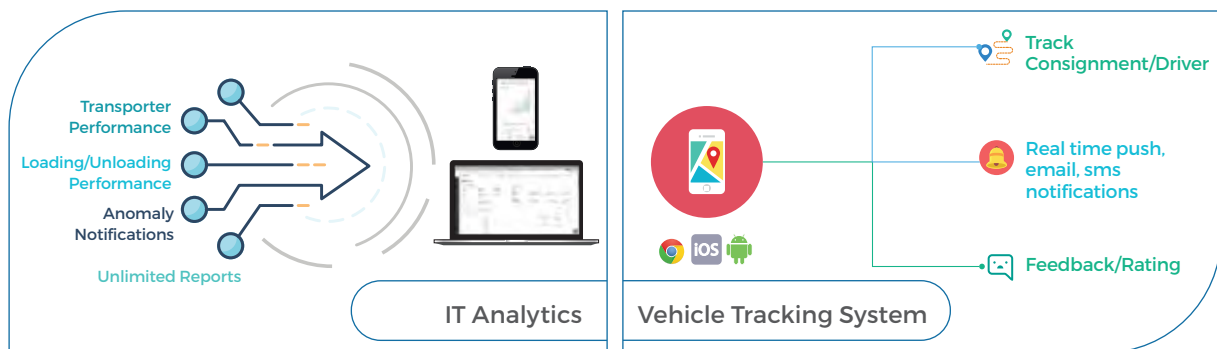
Health camp with Marble Dealers' Association of Chittorgarh

we provide treatment, medicines, diagnostics and all in-patient facilities for free. Alongside, to expand the reach of our healthcare facilities, we regularly conduct medical camps in the remote villages surrounding our Satna and Chanderia factories. Last year, we treated at least 1,000 people at such camps. The neo-natal unit at our Chittorgarh hospital is considered a boon to the area.

GROWING IN STRENGTH, GOING BEYOND

Staying connected, always

In our mission of “Cement se Ghar tak”, we not only produce the finest quality cement, but are also equally focused on distribution and logistics. With the use of cutting-edge information technology, we have managed to maximise the efficiency of the fleet of 5,000 trucks that transport raw material and finished goods. Initiatives such as Raftaar have reduced lead distances, improved speed of delivery and turn-around time by increasing direct dispatches to customers from the plants by use of dedicated fleet, fitted with Vehicle Tracking System. This has resulted in improved efficiency and better services in the face of rising fuel costs.



At the same time, we care about the well-being of our logistics partners. We have adopted logistics safety as an area of focus. Several initiatives are underway to increase safety awareness among drivers and transport service providers. Vehicle parking areas are being upgraded at our plants, with provision of rest shelter, canteen and supply of personal protective equipment to drivers and helpers. A special health check-up drive and counselling of drivers on issues such as drunk-driving and HIV risks are also in the pipeline.



5,000 trucks to transport raw materials and finished goods

Well-being is for all

We strongly believe that our units cannot be “islands of excellence” unless the communities where we operate prosper as well. Committed to inclusive and sustainable growth, we work on providing better sanitation, healthcare and education in the neighbourhood of our factories and mines. Nearly 40 villages surrounding our factories and mines in Rajasthan, Madhya Pradesh and Uttar Pradesh have benefitted from our mobile medical dispensaries. We have created easy access to water for some 75 families in Kananpur and Kundanganj by installing hand-pumps. We feel blessed in having made a difference to the lives of at least 471 malnourished children by supporting the Arogya Sakhi programme. At Kundanganj, some 3,000 people have benefitted from the installation of solar street lights.



STAYING RELEVANT, GETTING STRONGER



In innovation resides strength

In a hyper competitive world, staying ahead is a function of thought leadership and innovation. Over the years, we have strengthened our R&D capabilities. Backed by consumer insights, we strive to bring technologically advanced building and construction materials to meet the changing market needs.

MP Birla Cement Ultimate Ultra, now available in East and Central India, is an example of superior product offering. Our flagship brand, MP Birla Cement Perfect Plus, is offered across all geographies we operate in. It has, in a very short time, established itself as a preferred brand for high-class construction in the premium segment.

Our portfolio of new construction chemicals and wall putty aims to complement our cement to make homes resilient as well as beautiful, and remain in the hearts of home owners forever.



New revenue stream for ~3,500 cement dealers

Our hearts beat as one

At MP Birla Cement, we treat our 9,000-plus channel partners as family. Club Ultimate is, therefore, not only a rewards-and-recognition programme, it also brings group health and accident cover to our channel partners, and promotes academic excellence among their children with scholarships for further studies.

Strength in numbers

We use digital technology for last-mile connectivity in our supply chain.

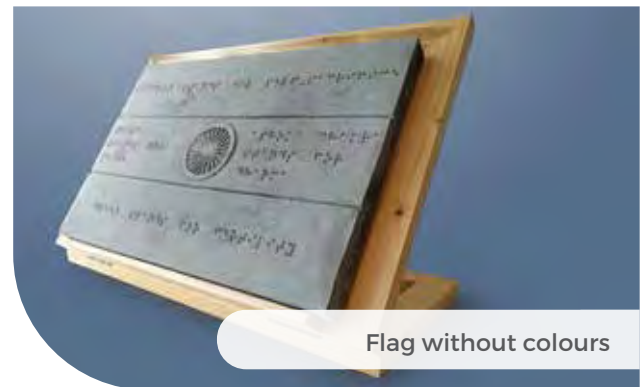
Armaan-Nirmaan is a smart-phone app that connects us with 1,00,000 masons, contractors and engineers who have come on board as our on-ground brand ambassadors.



Straight from the heart

Our concern does not end with brick and mortar. We wish to create homes where the future of the nation is being groomed.

“Flag without Colours” was an initiative towards the making of a more inclusive India. A special flag was made out of cement, with Braille inscriptions, and was gifted to several schools for the visually challenged across the country to help them take part in the Independence Day and Republic Day celebrations.



At Birla Corporation Limited, we have partnered with Daan Utsav to recognize participants in the “Joy of Giving” festival with Daan Utsav Samman awards.

BEING TOGETHER, CHARTING THE GROWTH PATH

The power of one

The successful consolidation of MP Birla Cement's operations post - RCCPL acquisition has created the foundations for the next phase of growth. Construction of a 3.9 million ton integrated cement plant has started at Mukutban in Yavatmal district of Maharashtra. It, along with a 40-MW captive power plant, is estimated to cost ₹2,450 crore.

CSR activities have been initiated in the nearby areas, particularly with backward and tribal communities, after a comprehensive study to assess needs and consultations with local stakeholders. Special attention is being paid to conservation of forests, wildlife and environment. Concern for people, while striving for the highest standard of performance, has been part of our ethos.



Mukutban cement plant

Safety of our employees, contractors and surrounding communities is of paramount importance to us. Considerable investments have been made with the help of international risk advisory specialists, to ensure the highest standard of safety at our project sites. Similar initiatives are underway for continuous improvement in safe working practices at our plants and in sales, logistics and marketing fields.



3.9-million-ton capacity at Mukutban plant

Enrichment at all levels

‘Renew, Re-engineer, Re-invent’ is the mantra to compete and stay relevant in today’s VUCA (volatility, uncertainty, complexity and ambiguity) world. Thus, up-skilling of our people is our continuous endeavour.

The MP Birla Training Academy conducts in-house programmes in several disciplines.

Customer Service being the key to our “Brand Promise” of “Cement se Ghar tak”, we conducted as many as 11 technical training workshops during the year for our Sales and Customer Support teams.

The Company has invested in the world’s leading CRM platform, “SalesForce.Com”, to improve our sales force effectiveness and customer services. About 550 sales personnel have been trained on the package, which has been rolled out in all marketing regions.

Developing next generation leaders is a key challenge for any growing organisation. In a unique initiative, the Company has engaged with the cricketer Paddy Upton who was the “mental conditioning coach” for the winning Indian team in ICC World Cup in 2011. Paddy is working on a year-long programme with 25 of our young leaders, to make them “future ready” for taking MP Birla Cement to the next level.



Sales training at Chanderia



Year long workshop with Paddy Upton

Notes

NOTICE

To the Shareholders

NOTICE is hereby given that the Ninety-Ninth Annual General Meeting of the Shareholders of the Company will be held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata -700 026, on Tuesday, the 13th day of August, 2019 at 10.30 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2019 together with the Reports of the Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2019 together with the Reports of the Auditors thereon.
2. To declare dividend on Ordinary Shares of the Company for the financial year ended 31st March, 2019.

SPECIAL BUSINESS:

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

“RESOLVED that Shri Bachh Raj Nahar (DIN: 00049895), Director liable to retire by rotation, who does not offer himself for re-appointment be not re-appointed as a Director of the Company and the vacancy so caused on the Board of the Company be not filled-up.”
4. To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Shailaja Chandra (DIN: 03320688), who was appointed as an Independent Director and who holds office as an Independent Director up to 4th February, 2020 and being eligible for re-appointment and in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing her candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years i.e. with effect from 5th February, 2020.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”
5. To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) to the Non-Executive Directors including Independent Directors of the Company (i.e. Directors other than the Managing Director and/or Whole Time Directors) of such sum or sums and in such proportion/manner and upto such extent for each financial year commencing on or after 1st April, 2019 as the Board of Directors shall determine from time to time based on the recommendation of Nomination and Remuneration Committee within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company for the relevant financial year computed in the manner as laid down in Section 198 and other applicable provisions of the Act and Rules made thereunder.”

“RESOLVED FURTHER that the remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) payable to the Non-Executive Director(s) shall be in addition to the sitting fees and other reimbursement of expenses payable to each of them for participation in the Board, Committee and other meetings.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

6. To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED that pursuant to Regulation 17(6)(ca) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Sections 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company computed in the manner as laid down in Section 198 of the Act, to Shri Harsh V. Lodha (DIN:00394094), Non-Executive Chairman of the Company for the financial year 2019-20 as determined by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and such remuneration/compensation may exceed fifty percent of the total annual remuneration/compensation payable to all Non-Executive Directors of the Company.”

“RESOLVED FURTHER that the remuneration/compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any thereon) payable to Shri Harsh V. Lodha, Non-Executive Chairman of the Company, shall be in addition to the sitting fees and other reimbursement of expenses payable to him for participation in the Board, Committee and other meetings.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

“RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions if any, of the Companies Act, 2013 and 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 ₹ 4,00,000/- (Rupees four lakh only) plus applicable taxes and reimbursement of actual travelling and out of pocket expenses, to be paid to M/s. Shome & Banerjee, (Firm Registration No.000001), Cost Auditors of the Company, for the Financial Year 2019-20 as approved by the Board of Directors of the Company, at its Meeting held on 3rd May, 2019, be and is hereby ratified and confirmed.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

Registered Office :
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata-700 001
CIN: L01132WB1919PLC003334

Dated, 1st July, 2019
Place : Kolkata

By Order of the Board

Girish Sharma
Jt. President (Indirect Taxes)
& Company Secretary

NOTES :

- (01) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**
- (02) **A person shall not act as Proxy for more than Fifty (50) members and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than 10 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 member. A Proxy Form is annexed to this Notice.**
- (03) Attendance Slip, Proxy Form and the Route Map of the venue of the meeting are annexed herewith.
- (04) Members/Proxies/Authorised Representatives should bring the Attendance Slip duly filled in for attending the Meeting.
- (05) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (06) The Register of Members and the Share Transfer Books of the Company will remain closed from 7th August, 2019 to 13th August, 2019 (both days inclusive).
- (07) Dividend on Ordinary Shares, when approved at the Meeting, will be paid to those members –
- (a) whose names appear as Beneficial Owners as at the end of business hours on 6th August, 2019, in the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and
 - (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 6th August, 2019.
- (08) The Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos.3, 4, 5, 6 and 7 which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details of the Directors seeking appointment/re-appointment and/or fixation of remuneration of Directors as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is also annexed as **Annexure- 'A'** to the Notice.
- (09) At the Ninety-Seventh Annual General Meeting held on 31st July, 2017 the members approved appointment of Messrs. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No.109208W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Hundred and Second Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by Members at every Annual General Meeting. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 31st July, 2017.
- (10) Shareholders holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent (RTA), M/s. MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata -700045, quoting their folio number, any change in their registered address along with a copy of any one of the address proof i.e. Voter Identity Card, Aadhaar Card, Electric / Telephone Bill, Driving Licence, Passport or Bank Statement and for change in bank details along with cancelled Cheque and in case the shares are held in dematerialised form, this information should be passed on to their respective Depository Participants.
- (11) Shareholders who have not so far encashed their Dividend Warrants for the accounting years ended 31st March, 2012, 2013, 2014, 2015, 2016, 2017 and 2018 and Interim Dividend Warrants for accounting year ended 31st March, 2012 and 2013 may immediately approach the Company for revalidation of unclaimed Dividend Warrants.
- (12) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11 and interim dividend declared upto financial year 2011-12, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The details of the unpaid / unclaimed amounts lying with the Company as on 20th July,

2018 (date of last Annual General Meeting) are available on the website of the Company (www.birlacorporation.com) and on Ministry of Corporate Affairs' website.

- (13) Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), all Shares in respect of which Dividend has not been paid or claimed by the Members for seven (7) consecutive years or more would be transferred to the demat account of IEPF Authority. In terms of the aforesaid provisions, during the financial year 2018-19, the Company has transferred all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 03.08.2018 and 06.12.2018. Details of shares transferred to the IEPF Authority are uploaded on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
- (14) The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>. In case the Members have any query on the subject matter and the IEPF Rules, they may contact the Company/ RTA.
- (15) As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to dematerialize their holdings as it will not be possible to transfer shares held in physical mode.
- (16) The Company and the RTA has been mandated by SEBI to maintain copy of the Permanent Account Number (PAN) and the Bank Account details of all the Members. Members who has not yet submitted are, therefore, requested to submit their self-attested PAN and original cancelled cheque leaf/attested bank passbook showing name of the Account Holder to the Company/RTA.
- (17) Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all companies mandatorily have to use the bank account details furnished by the depositories for payment of dividends. Dividend will be credited to the Members' bank account through NACH/NEFT wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
- (18) Electronic copy of the Annual Report is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
- (19) Electronic copy of the Notice of this Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with attendance slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 99th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this Meeting and the Annual Report will also be available on Company's website www.birlacorporation.com for their download.
- (20) As per the provisions of the Companies Act, 2013 the facility for making/varying/ canceling nominations is available to individuals, holding shares in the Company. Nominations can be made in Form SH.13 and any variation /cancellation thereof can be made by giving notice in Form SH.14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Registrar and Share Transfer Agent/Company.
- (21) As required by Securities and Exchange Board of India (SEBI) vide its Circular, the shareholders are requested to furnish a copy of the PAN card to the Company/Registrar & Share Transfer Agents while sending the shares held in physical form for transfer, transmission, transposition and deletion of name of the deceased shareholder(s).
- (22) **Members holding shares in physical form who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Reports, Notices, and Circulars etc. from the Company electronically. However, where the shares are held by the members in dematerialized form, the same has to be communicated to his/her Depository Participant for the purpose of receiving any of the aforesaid documents in electronic form.**

(23) Shareholders/Proxy holders are requested to carry valid ID proof such as PAN, Voter Card, Passport, Driving Licence, Aadhaar Card etc. along with the printed attendance slip.

(24) Voting through electronic means

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be considered at the Meeting by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through polling paper/tab voting shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right at the Meeting through Polling Paper/tab voting. (Note: Polling process may be carried out by distributing polling paper or by making arrangement for voting through electronic voting systems, as may be decided by the Company).
- III. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Saturday, 10th August, 2019 (9:00 a.m.) and ends on Monday, 12th August, 2019 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 6th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. Members desiring to vote through remote e-voting may refer to the following steps:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

A. Details on Step 1 are mentioned below:

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'.

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

Now, you will have to click on "Login" button.

After you click on the "Login" button, Home page of e-Voting will open.

B. Details on Step 2 is given below:

After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

Select "EVEN" of "Birla Corporation Limited".

Now you are ready for e-Voting as the Voting page opens.

Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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

You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

- VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evotingam@gmail.com with a copy marked to evoting@nsdl.co.in.
- VII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting Website will be disabled upon five unsuccessful attempts to key in the correct password.

In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

- VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- IX. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- X. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 6th August, 2019. Any person who is not a member as on the said cut-off date should treat this Notice for information purpose only.
- XI. Any person, who acquires shares of the Company and become a member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 6th August, 2019 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or mcssta@rediffmail.com.

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

- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting through Polling Paper/Tab Voting.
- XIII. Shri Anil Murarka (Membership No. F3150, C.P No. 1857), LL.B., Company Secretary in Wholetime Practice has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Poling Paper/Tab Voting” for all those members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.birlacorporation.com and on the website of NSDL within 2 (two) days of passing of the resolutions at the Meeting of the Company and communicated to the Stock Exchanges.

- (25) Statutory Registers and documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Companies Act, 2013 shall be open for inspection at the Registered Office/Corporate Office of the Company during business hours between 10 A.M. to 12 Noon on any working day excluding Saturday and Sunday prior to the date of the Meeting and will also be available for inspection during the Meeting.

Green Initiative of the Ministry of Corporate Affairs

Members are requested to support the “Green Initiatives” by registering their E-mail ID with the Company, if not already done.

Those members who have changed their E-mail ID are requested to register their new E-mail ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Members holding shares in physical mode are also requested to register their E-mail ID address with our Registrar & Share Transfer Agent – M/s. MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata -700045, E-mail ID: **mcssta@rediffmail.com**. Such registration of E-mail ID may also be made with the Company at its Registered Office as per the address mentioned above or at the E-mail ID: **greeninitiative@birlacorp.com**.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Items of Special Business:

Item No. 3

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Shri Bachh Raj Nahar (DIN: 00049895), Director retires by rotation at the ensuing Annual General Meeting. Shri Bachh Raj Nahar has indicated to the Company that he is not seeking reappointment. Shri Bachh Raj Nahar has been on the Board of the Company since August, 2006. Shri Nahar has made distinct and immense contribution for the growth of the Company. The Board places on record its sincere appreciation and recognition of the valuable contribution and services rendered by Shri Nahar during his tenure on the Board of the Company. The Board proposes that the vacancy caused by his retirement be not filled-up.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives except Shri Bachh Raj Nahar and his relatives, are in any way, concerned or interested, whether financially or otherwise, in the Resolution as set out at Item No. 3 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.3 to be passed as Ordinary Resolution by the Members.

Item No. 4

Ms. Shailaja Chandra (DIN: 03320688) was appointed as the Independent Director of the Company pursuant to Section 149 and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and the applicable provisions of the erstwhile Listing Agreement with the Stock Exchanges, to hold office for a term of five (5) consecutive years w.e.f. 5th February, 2015 till 4th February, 2020.

The Board of Directors in its meeting held on 3rd May, 2019, noted that Ms. Shailaja Chandra was a Member of the Indian Administrative Service (IAS) and a civil servant for 38 years who has distinguished herself in several roles including as Delhi's only woman Chief Secretary. Ms. Chandra also has additional 10 years of experience in Public Governance. Apart from 15 years of experience with the Central Government where Ms. Chandra held assignments in the Ministries of Defence, Power and Health, Ms. Chandra has worked in different parts of the country with the State Governments. She was Health Secretary in Delhi and joined the Government of India as Joint Secretary in the Ministry of Health & Family Welfare where she was promoted as Additional Secretary and later Secretary in the same Ministry. Ms. Chandra was Chairman, Public Grievances Commission and Appellate Authority under the Delhi Right to Information Act and was the first Executive Director of the National Population Stabilisation Fund, Ministry of Health & Family Welfare, Government of India.

The Company and the Board has immensely benefitted from her vast experience and knowledge. Considering her contribution to the deliberations of the meetings and the valuable guidance and advice rendered by her, the Board felt that it will be in the interest of the Company to re-appoint Ms. Shailaja Chandra as an Independent Director of the Company.

The Board of Directors of the Company on the basis of the report of performance evaluation and on the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Ms. Shailaja Chandra as Independent Director of the Company not liable to retire by rotation, for a second term of 5 (five) consecutive years w.e.f. 5th February, 2020.

Ms. Shailaja Chandra has given her consent to act as an Independent Director of the Company and has furnished necessary declaration to the Board of Directors that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per the declaration received by the Company, Ms. Shailaja Chandra is not disqualified to be re-appointed as a Director under Section 164 of the Companies Act, 2013.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Shailaja Chandra, for the office of director of the Company.

In the opinion of the Board, Ms. Chandra fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as an Independent Director.

Copy of the draft letter of re-appointment to be issued to Ms. Chandra upon her re-appointment as an Independent Director of the Company setting out the terms and conditions of re-appointment would be available for inspection by any Member at the Registered

Office/Corporate Office between 10 A.M. to 12 Noon on any working day excluding Saturday and Sunday prior to the date of the Meeting and will also be available for inspection during the Meeting.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives except Ms. Shailaja Chandra and her relatives, are in any way, concerned or interested, whether financially or otherwise, in the Resolution as set out at Item No. 4 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.4 to be passed as Special Resolution by the Members.

Item No. 5

In terms of provisions contained in Section 197 of the Companies Act, 2013 ("the Act"), a company by way of an Ordinary Resolution in general meeting may authorise payment of remuneration/compensation to Non- Executive Directors (including Independent Directors), a sum not exceeding 1% (one percent) of the Net Profits of such company, if there is a Managing or Whole-Time Director or Manager.

Further, as per Regulation 17(6)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment thereto or modification thereof ("Listing Regulations"), the Board of Directors shall recommend all fees (save and except payment of sitting fees for attending meeting(s) of the Board of Directors and/or Committee(s) thereof or for any other purposes whatsoever as may be decided by the Board of Directors within the limits as prescribed under Section 197(5) of the Act) or compensation, if any, paid to Non-Executive Directors including Independent Directors and the same shall require approval of shareholders in general meeting.

At present, save and except for the sitting fees for participating in the meetings of the Board of Directors and Committees thereof, the Company does not pay any remuneration/ compensation to Non-Executive Directors including Independent Directors. The Non-Executive Directors including Independent Directors of your Company bring with them significant professional expertise and rich experience across wide spectrum of functional areas and the role played by the Non-Executive Directors including Independent Directors in the Company's governance and performance is very important for growth of the Company. Accordingly, the Board of Directors of the Company at its meeting held on 3rd May, 2019 recommended for the approval of the members, payment of remuneration/compensation by way of profit related commission or otherwise as permissible under the Act to Non-Executive Directors including Independent Directors of the Company for all financial years commencing from 1st April, 2019 in line with the practices followed by the corporate sector in this regard and having regard to their roles and responsibilities and contribution made by them during their tenure as Non-Executive Directors of the Company. The amount of remuneration/ compensation payable to the Non-Executive Directors shall be determined by the Board of Directors for each financial year commencing from 1st April, 2019 based on the recommendation of the Nomination and Remuneration Committee. The remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) as above, shall be paid in such proportion/manner and upto such extent amongst all or some Non-Executive Directors as the Board of Directors determine from time to time within the overall maximum limit of 1% (one percent) of the Net Profits of the Company for the relevant financial year computed in the manner as laid down under Section 198 and other applicable provisions of the Act and rules made thereunder.

The said remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) to the Non-Executive Director(s) shall be in addition to the sitting fees and reimbursement of expenses for attending Board/Committee meetings.

All the Directors and their relatives (except Managing Director and Whole-time Director of the Company and their relatives) are concerned or interested in the Resolution as set out at Item No. 5 of the Notice.

None of the Key Managerial Personnel of the Company either directly or through their relatives, are in any way, concerned or interested, whether financially or otherwise, in the Resolution as set out at Item No. 5 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.5 to be passed as an Ordinary Resolution by the Members.

Item No. 6

Pursuant to the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the approval of the members of the Company by way of a special resolution is required to be obtained every year for

payment of annual remuneration/compensation by way of profit related commission or otherwise as permissible under the Companies Act, 2013 to a single Non-Executive Director exceeding fifty percent of the total annual remuneration/compensation payable to all Non-Executive Directors and giving details of remuneration thereof.

Shri Harsh V. Lodha has contributed immensely towards the sustained growth of the Company since his appointment as Non-Executive Chairman of the Company with effect from 23rd October, 2009. Considering the active and vital role played by Shri Harsh V. Lodha as Non-Executive Chairman of the Company, it is proposed to pay him remuneration/ compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company for the financial year 2019-20, which may exceed fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company. Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 3rd May, 2019, recommended for passing of a Special Resolution by the Members of the Company for payment of remuneration/compensation by way of profit related commission or otherwise to Shri Harsh V. Lodha as the said remuneration/compensation payable to him for the financial year 2019-20, which may exceed fifty percent of total annual remuneration payable to all Non-Executive Directors of the Company.

The said remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) to Shri Harsh V. Lodha shall be in addition to the sitting fees and reimbursement of expenses for attending Board/ Committee meetings.

Save and except Shri Harsh V. Lodha and his relatives, none of the other Directors/Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in the Resolution as set out at Item No.6 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.6 to be passed as a Special Resolution by the Members.

Item No. 7

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 3rd May, 2019, has considered and approved the appointment M/s. Shome & Banerjee, (Firm Registration No.000001) as the Cost Auditors of the Company for the Financial Year 2019-20 for the following products at a total remuneration of ₹ 4,00,000/- (Rupees four lakh only) per annum plus tax as applicable and reimbursement of travelling and incidental expenses:

1. Cement – ₹ 2,50,000/- (Rupees two lakh fifty thousand only) per annum.
2. Jute Goods - ₹ 1,25,000/- (Rupees one lakh twenty five thousand only) per annum.
3. Steel - ₹ 25,000/- (Rupees twenty five thousand only) per annum.

In accordance with the provisions of Section 148(3) 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 shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2019-20.

None of the Directors / Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 7 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No. 7 to be passed as Ordinary Resolution by the Members.

Registered Office :
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata-700 001
CIN: L01132WB1919PLC003334

Dated, 1st July, 2019
Place : Kolkata

By Order of the Board

Girish Sharma
Jt. President (Indirect Taxes)
& Company Secretary

ANNEXURE - 'A'
ANNEXURE TO ITEM NOS. 4 AND 6 OF THE NOTICE

Details of Directors seeking appointment/re-appointment and/or fixation of remuneration of Directors at the forthcoming Annual General Meeting [in pursuance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

(As on 31st March, 2019)

Name of the Director	Ms. Shailaja Chandra	Shri Harsh V. Lodha
Date of Birth and Age	17.06.1944, (74 years)	13.02.1967, (52 years)
Nationality	Indian	Indian
Date of first appointment on the Board of Directors of the Company	05.02.2015	23.04.1996
Qualifications	I.A.S.	Chartered Accountant
Experience (including nature of expertise in specific functional areas)/ Brief Resume	A civil servant for 38 years who has distinguished herself in several roles including as Delhi's only woman Chief Secretary. She also has additional 10 years of experience in Public Governance. Apart from 15 years of experience with the Central Government where Ms. Chandra held assignments in the Ministries of Defence, Power and Health, she has worked in different parts of the country with the State Governments.	Wide experience in Corporate Management including Finance and General Management functions.
Number of shares held in the Company	500*	1260*
List of directorships held in other companies	<ol style="list-style-type: none"> 1. Kerala Ayurveda Limited 2. JSW Energy Limited 3. JSW Energy (Barmer) Limited 4. JSW Hydro Energy Limited 5. JSW IP Holdings Private Limited 	<ol style="list-style-type: none"> 1. Alfred Herbert (India) Ltd. 2. Birla Cable Ltd. 3. Hindustan Gum & Chemicals Ltd. 4. J.K. Fenner (India) Ltd. 5. Punjab Produce Holdings Ltd. 6. Universal Cables Ltd. 7. Vindhya Telelinks Ltd. 8. Baroda Agents & Trading Co. Pvt. Ltd. 9. Birla Furukawa Fibre Optics Pvt. Ltd. 10. East India Investment Co. Pvt. Ltd. 11. Gwalior Webbing Co. Pvt. Ltd. 12. Oneworld Resources Pvt. Ltd. 13. RCCPL Pvt. Ltd. 14. Swiss India Financial Services Co. Pvt. Ltd. 15. The Punjab Produce & Trading Co. Pvt. Ltd.


ANNEXURE TO ITEM NOS. 4 AND 6 OF THE NOTICE (Contd.)

Chairman/Member of the Committees of the Boards of the companies in which she/he is Director	Member <i>Audit Committee -</i> JSW Energy Limited JSW Hydro Energy Limited JSW IP Holdings Private Limited <i>Corporate Social Responsibility Committee -</i> JSW Energy Limited <i>Risk Management Committee -</i> Birla Corporation Limited	Chairman <i>Stakeholders Relationship Committee</i> Birla Corporation Limited <i>Corporate Social Responsibility Committee</i> Birla Corporation Limited Hindustan Gum & Chemicals Limited RCCPL Private Limited The Punjab Produce & Trading Co. Pvt. Limited Universal Cables Limited Member <i>Corporate Social Responsibility Committee -</i> Gwalior Webbing Co. Pvt. Limited <i>Committee of Directors -</i> Birla Corporation Limited RCCPL Private Limited <i>Nomination and Remuneration Committee -</i> Birla Corporation Limited RCCPL Private Limited
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None
Number of meetings of the Board attended during the year 2018-19 [Out of 5 (Five) held]	5 (five)	5 (five)
Number of ESOPs granted	Nil	Nil
Terms and conditions of Appointment/Re-appointment	Not liable to retire by rotation	Liable to retire by rotation
Details of Remuneration sought to be paid	Ms. Chandra shall be entitled to sitting fees for attending meetings of the Board and Committees thereof and shall also be entitled to commission, if any.	Shri Harsh V. Lodha shall be entitled to sitting fees for attending meetings of the Board and Committees thereof and shall also be entitled to commission, if any.
Remuneration last drawn (including sitting fees, if any)	The details of the Remuneration paid to the Ms. Chandra during the financial year 2018-19 is provided in the Report on Corporate Governance.	The details of the Remuneration paid to the Shri Harsh V. Lodha during the financial year 2018-19 is provided in the Report on Corporate Governance.

NOTE: * Shares held jointly with other shareholder.

ROAD MAP TO THE AGM VENUE



 Kalpataru Uttam Mancha
10/1/1, Monohar Pukur Road
Kolkata - 700 026

FINANCIAL HIGHLIGHTS

(₹ in Crores)

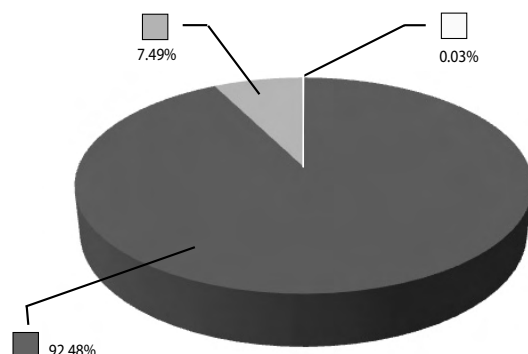
	As per IND AS				As per Indian GAAP					
	2018 - 19	2017 - 18	2016 - 17	2015 - 16	2014-15	2013-14	2012-13	2011-12	2010-11	2007-08
OPERATING RESULTS										
Revenue from Operations	4423.58	3861.25	3841.02	3761.59	3692.17	3477.92	2994.34	2596.82	2436.81	1996.78
Surplus before Depreciation, Finance Cost & Tax Expenses (EBITDA)	486.60	421.47	515.76	463.09	457.55	381.38	519.95	478.56	555.02	613.67
Finance Cost	178.06	165.21	139.23	82.26	78.37	85.59	64.86	52.51	52.63	21.05
Surplus after Finance Cost but before Depreciation & Amortisation & Exceptional Items	308.54	256.26	376.53	380.83	379.18	295.79	455.09	426.05	502.39	592.62
Depreciation and Amortisation	148.53	146.05	147.19	148.47	153.46	132.58	104.39	80.00	64.83	41.44
Exceptional Items	-	12.48	6.82	31.49	12.84	10.93	-	-	-	-
Income /Deferred Tax/ Income Tax Refund (Net)	22.23	(17.40)	8.52	33.18	37.44	22.52	80.88	106.84	117.68	157.61
Net Profit	137.78	115.13	214.00	167.68	175.44	129.76	269.82	239.21	319.88	393.57
Dividend Payout	60.34	60.24	55.61	55.61	55.61	54.06	62.92	53.70	53.77	36.04
Dividend Percentage	65.00	65.00	60.00	60.00	60.00	60.00	70.00	60.00	60.00	40.00
Retained Earning during the year	77.44	54.89	158.39	112.07	119.83	75.70	206.90	185.51	266.11	357.53
ASSETS & LIABILITIES										
Fixed Assets :										
Gross Block	3732.49	3590.33	2368.00	2240.84	3271.39	3076.91	2908.87	2710.73	2209.45	1300.10
Net Block	3144.38	3149.19	2072.85	2092.53	2045.27	2006.52	1961.40	1862.16	1433.93	627.46
Other Assets	4656.07	4516.24	4344.36	3135.88	2945.99	2860.60	2564.09	2197.45	2169.11	1303.93
Total Assets	7800.45	7665.43	6417.21	5228.41	4991.26	4867.12	4525.49	4059.61	3603.04	1931.39
Represented by :										
Share Capital	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01
Other Equity /Reserves & Surplus	4148.96*	4051.44*	3097.11	2848.36	2547.10	2449.07	2373.05	2166.37	1980.91	927.97
Net Worth	4225.97	4128.45	3174.12	2925.37	2624.11	2526.08	2450.06	2243.38	2057.92	1004.98
Borrowings	1854.14	1881.25	1950.97	1281.25	1302.18	1401.30	1226.05	1135.40	937.69	272.25
Other Liabilities & Provisions	1720.34	1655.73	1292.12	1021.79	1064.97	939.74	849.38	680.83	607.43	654.16
Total Equity & Liabilities	7800.45	7665.43	6417.21	5228.41	4991.26	4867.12	4525.49	4059.61	3603.04	1931.39
Key Indicators										
Earning per Ordinary Share (₹)	17.89	14.95	27.79	21.78	22.78	16.85	35.04	31.06	41.54	51.11
Cash Earning per Ordinary Share (₹) (annualised)	40.07	31.66	48.01	45.38	48.23	36.99	59.10	41.45	49.96	56.49
Net Worth per Ordinary Share (₹)	548.79	536.12	412.17	379.87	340.77	328.00	318.17	291.33	267.24	130.51
Debt Equity Ratio (on long-term loans)	0.54:1	0.56:1	0.61:1	0.27:1	0.42:1	0.26:1	0.39:1	0.34:1	0.29:1	0.07:1
Current Ratio	1.62	1.79	2.03	2.86	3.65	2.58	2.21	2.51	2.64	1.13

* Including Revaluation Surplus

Statement of Revenue from Operations by activities

2018-19

(₹ in Crores)

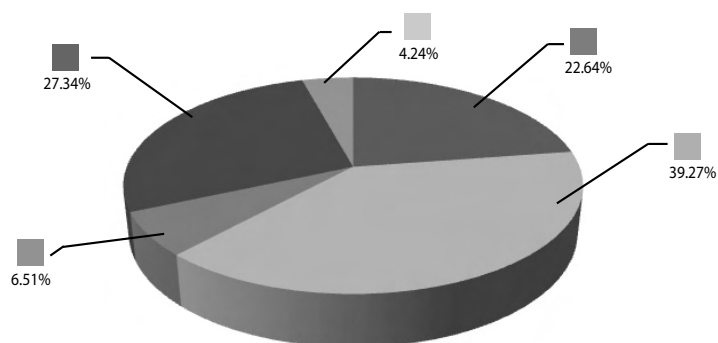


	Cement : 4090.90 (92.48%)
	Jute : 331.19 (7.49%)
	Others : 1.49 (0.03%)

Revenue Distribution

2018-19

(₹ in Crores)



	Raw Materials : 949.78 (22.64%)
	Manufacturing Expenses : 1,647.86 (39.27%)
	Employees Benefits Expenses : 273.27 (6.51%)
	Selling, Administration & Other Expenses : 1147.15 (27.34%)
	Finance Costs : 178.06 (4.24%)

DIRECTORS' REPORT & MANAGEMENT DISCUSSION & ANALYSIS

To the Shareholders,

Your Directors have the pleasure in presenting their Annual Report on the business and operations of your Company together with the audited financial statements of the Company and its Subsidiaries for the year ended 31st March, 2019.

FINANCIAL PERFORMANCE

The summarized standalone and consolidated results of your Company and its Subsidiaries are given in the table below:

(₹ in Crores)

Particulars	STANDALONE		CONSOLIDATED	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue from Operations (Gross)	4423.58	3861.25	6548.73	5938.93
Total Revenue	4504.66	3938.65	6627.20	6012.94
Profit before Finance Costs, Tax, Depreciation, Amortization, Minority Interest and Exceptional items	486.60	421.47	1027.08	882.12
Finance Costs	178.06	165.21	370.52	377.64
Profit before Tax, Depreciation, Amortization, Minority Interest and Exceptional items	308.54	256.26	656.56	504.48
Depreciation and Amortization Expense	148.53	146.05	339.12	332.16
Exceptional items	-	12.48	-	12.48
Tax Expense (Net)	22.23	(17.40)	61.74	5.89
Profit for the year	137.78	115.13	255.70	153.95
Profit for the year attributable to non-controlling interest	-	-	0.01	0.01
Profit for the year attributable to owner of the Parent	137.78	115.13	255.69	153.94
Re-measurement of the defined benefit plans (net of tax expenses)	0.50	4.84	0.47	4.98
Total Surplus during the year	138.28	119.97	256.16	158.92
Surplus as per the last Financial Statements*	346.96	358.65	389.49	362.22
Appropriations:				
Debt Redemption Reserve	21.42	21.42	21.42	21.42
Dividend paid on Ordinary Shares	50.05	50.05	50.05	50.05
Corporate Dividend Tax on Dividend	10.29	10.19	10.29	10.19
General Reserve	50.00	50.00	50.00	50.00
Associates Investment Adjustment	-	-	-	(0.01)
Net Surplus	353.48	346.96	513.89	389.49

* After adjustment of re-measurement of the defined benefit plans (net of tax expenses).

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 7.50 per share (i.e. 75%) on 7,70,05,347 ordinary shares for the year ended 31st March, 2019 aggregating to ₹ 69.63 crores (including Corporate Dividend Tax of ₹ 11.87 crores) as compared to ₹ 60.34 crores (including Corporate Dividend Tax of ₹ 10.29 crores) in the previous year.

Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy. The Policy is annexed hereto and marked as **"Annexure – A"** forming part of the Directors' Report and is also uploaded on the Company's website at <http://www.birlacorporation.com/investors/policies/dividend-distribution-policy.pdf>.

TRANSFER TO RESERVES

The Company proposes to transfer an amount of ₹50 crores to General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2019 stood at ₹ 77.01 crores. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2019, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

FINANCIAL STATEMENTS

ADOPTION OF IND AS :

The Company has prepared its financial statements as per IND AS requirement for the financial year 2018-19. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect, in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2019.

CONSOLIDATED FINANCIAL STATEMENTS :

The Consolidated Financial Statements of the Company are prepared in accordance with relevant IND AS issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2018-19 and the date of this Report.

KEY FINANCIAL RATIOS

Consequent to the introduction of the Goods and Services Tax (GST) w.e.f 1st July, 2017, Gross Revenue from sale of products for the year ended 31st March, 2019 is not comparable with the previous year. Hence, Debtors Turnover ratio, Inventory Turnover ratio, Operating Profit margin and Net Profit margin for the year ended 31st March, 2019 are not comparable with the previous year.

The key Financial Ratios pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2019, are given herein below:

Sl. No.	Financial Ratios	2018-19	2017-18
1.	Debtors Turnover	24.99	30.67
2.	Inventory Turnover *	47.29	35.49
3.	Interest Coverage ratio	2.73	2.55

Sl. No.	Financial Ratios	2018-19	2017-18
4.	Current Ratio	1.62	1.79
5.	Debt Equity Ratio	0.54	0.56
6.	Operating Profit Margin (%)	9.17%	8.91%
7.	Net Profit Margin (%)	3.11%	2.98%
8.	Return on Net Worth **	4.05%	3.48%

Notes:

- * Change in the Inventory Turnover Ratio is 33% mainly due to substantial increase in Net Sales of ₹551.56 crore i.e. around 15% compared to the last year.
- ** Return on Net Worth is higher for the year ended 31st March, 2019 due to higher rate of growth in Profit after Tax.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year 2018-19.

1.1 CEMENT DIVISION

(a) INDUSTRY STRUCTURE AND DEVELOPMENTS :

After China, India is the world's second largest cement producer and accounts for over 8% of the global installed capacity. The cement industry is one of the key drivers of the Indian economy and provides employment to over one million people.

The housing or real estate sector accounts for almost 66 per cent of cement consumption in India, while the rest is split between public infrastructure (22 per cent) and industrial development (12 per cent).

In 2018-19, India's GDP grew at 7 per cent, according to the Union Government, compared with 6.6 per cent in the previous year. Data released by the Union Government shows demand for cement is slowly firming up. In 2018-19, cement production grew 13.3 per cent over the previous year compared with a growth of 6.3 per cent in 2017-18.

The year witnessed steady implementation and completion of large infrastructure projects in the northern and central regions, driven partly by Assembly elections in November-December in Rajasthan, Madhya Pradesh and Chhatisgarh.

Several new projects are being pursued full-steam to create new infrastructure such as Bharatmala for roads, Sagarmala for ports and dedicated freight corridors. The cement industry witnessed a surge in demand from smart city projects as well - both from projects under implementation and those that were newly launched.

Infrastructure development and the Government's Housing for All programmes were the key drivers of growth. The implementation of the Real Estate (Regulation and

Development) Act, 2016, or RERA, appears to have given a fillip to the construction sector by making transactions more transparent.

During 2018-19, the Company registered a 12.11 per cent growth in cement sales on a standalone basis and a 10.12 per cent growth on a consolidated basis. In absolute terms, the sale of cement on a standalone basis increased to 89.10 lakh tonnes from 79.48 lakh tonnes in the previous year. The wholly owned subsidiary, RCCPL Pvt. Ltd, sold 49.28 lakh tonnes in the year till 31st March 2019 compared with 45.10 lakh tonnes in the previous year.

(b) REVIEW OF PERFORMANCE :

Production of the Company:

The details of production of clinker and cement of the Company are as follows :-

Particulars	2018-19 (Lakh Ts.)	2017-18 (Lakh Ts.)	Change %
Clinker production	51.82	51.00	1.61
Cement production	88.72	80.19	10.64

Production of RCCPL Pvt. Ltd. (RCCPL) (formerly known as Reliance Cement Company Private Limited), wholly owned subsidiary of the Company:

The details of production of clinker and cement of RCCPL are as follows :-

Particulars	2018-19 (Lakh Ts.)	2017-18 (Lakh Ts.)	Change %
Clinker production	34.19	29.54	15.74
Cement production	49.42	45.10	9.58

Sales :

During the year under review, your Company has registered an increase of 12.11% in cement sales on standalone basis and 10.12% on consolidated basis. In absolute terms, the sale of cement on standalone basis has increased to 89.10 lakh tons compared to 79.48 lakh tons in the previous year.

RCCPL has sold 49.28 lakh tons of cement during the year.

Power Plant :

The details of power generated at various plants are as under:

Particulars	2018-19 (Lakh units)	2017-18 (Lakh units)	Change %
Thermal Power Plant	3313.74	3672.31	(9.76)
WHRS	1224.62	1004.73	21.89
Solar Power	25.45	27.10	(6.09)

Integration of RCCPL :

The benefits and synergies of RCCPL acquisition have now been fully assimilated. The RCCPL plants have been operating at the highest level of efficiency, their operating parameters being among the best in the industry. Capacity utilization has gone up to 90%, compared to 82% in the corresponding year.

Volumes in RCCPL have been ramped up in less than two years of the take-over and cash profit increased by 94% in two years, a testimony of seamless integration of the operations of RCCPL with BCL.

The co-branding strategy at the BCL and RCCPL plants has enabled enhancing the marketing footprint as well as offering a bouquet of brands across price bands. MP Birla Cement is now a substantial player in the fast-growing markets of Uttar Pradesh and Madhya Pradesh, with high share of the premium segment.

Cost and Profitability :

The profitability of the Company recorded a healthy growth during the year with cash profit increasing by 26.56% to ₹308.54 crores.

The Company's strategy of increasing volumes in the high contribution core markets and moving up the value chain by increasing the proportion of cement sales in trade segment, premium grade cement and blended cement have contributed to the growth in profitability and helped mitigate the cost pressures witnessed during the year.

During the year, there has been a turnaround in the performance of the Company's Chanderia unit, made possible by a series of cost reduction measures and marketing initiatives, despite low prices prevailing in the North markets throughout the year. Launch and gradual ramping up of premium grade cement in the North, improvement in proportion of blended cement and geo mix led to higher realisations and better margins. The unit has systematically enhanced its capability of mechanical mining, thereby reducing dependence on purchased limestone, which has resulted in savings in the cost of production. Higher absorption of fly ash in blended cement, higher usage of pet coke and alternate fuel helped arrest increase in fuel cost at the unit.

The Company witnessed cost pressure over the course of the year due to increase in various input costs. These increases were caused largely due to external factors.

The freight and forwarding expenses during the year went up on account of higher volume of dispatches, rise in diesel prices and increase in packing material costs on account of polypropylene prices. Diesel prices went up by 4% during

the financial year 2018-19. This increase was despite the continuous efforts made to improve evacuation efficiency, reduce lead by increasing the market share in home markets, availing of beneficial railway schemes for freight reduction, benchmarking and renegotiation of contracts with transporters.

Further, non-availability of railway rakes affected dispatch of cement and clinker. The Company has been undertaking various initiatives to reduce logistics cost such as Route to Marketing Optimization, with the help of IT analytics and Vehicle Tracking Systems, to reduce lead distance and turn-around time. A similar focus on in-bound logistics to secure supply chain has yielded savings through cost-effective sourcing.

Power and fuel prices were higher during the year due to various factors. Pet Coke has been the major fuel for cement manufacturers in recent times. Domestic Pet Coke prices rose by over 20% in year-on-year basis and the cost of imported Pet Coke also went up partly due to 10% depreciation of Indian Rupee against USD. With the Government's directive to prioritise coal for Independent Power Plants [IPP] by rail, there has been huge deficit of domestic coal for other industries, including cement. To mitigate the situation, we converted the Rail linkage into Road and further by Rail [RCR].

Sustained efforts were made to improve fly ash absorption which enabled the Company to reduce the consumption of clinker, which, in turn, had a positive impact on the contribution.

The Company's obsessive focus on cost rationalisation continues unabated. Increase in fuel prices has been partially off-set by improving energy-usage efficiencies in plants and economical sourcing of other raw materials, such as fly-ash and gypsum, and relentless focus on lowering logistics costs for both inward and outward movement.

Cement Demand and Prices :

After having witnessed revival during the financial year 2017-18, the cement industry witnessed robust growth during the financial year 2018-19 on the back of stable construction activity in residential and real estate, increased demand for affordable housing and robust demand from the infrastructure segment. With robust demand, capacity utilization in the financial year 2018-19 registered a double digit growth despite capacity expansion during the year.

India has recorded the highest pace of highway construction which now stands at about 30 kms per day. Bank lending for rural housing and infrastructure has boosted cement demand.

Over the next couple of years, supply is expected to lag demand which has not been the case in the last five years. This is expected to lead to higher capacity utilization and pricing power of the cement companies.

Cement prices remained stagnant in the North and East and improved in the Central region.

Marketing Initiatives

MP Birla Cements is now a co-leader in the fast growing Central India Markets and Bihar in the East - with a strong brand-folio straddling across different price segments and high market share in the premium segments.

The Company has successfully created a unique identity for its offerings under the MP Birla Cement franchise. The co-branding initiatives between BCL and its subsidiary have deepened and widened markets for our wide variety of product offerings.

MP Birla Group's flagship premium cement brand - Perfect Plus - launched after the acquisition of the RCCPL units, has now been extended to other geographies where the Company has a marketing footprint, namely North and East.

Consistent with the Company's "Cement se Ghartak" strategy of focussing on the "Individual Home Builder" in the value-adding retail segment, there has been a thrust on increasing the share of "eco-friendly" blended cement.

Substantial investments in brands, increasing the depth, width and quality of distribution assets, high focus on technical support for customers, deepening channel relationships and influencers connect have started showing results. This is visible in brand salience, product placement and availability at outlets and, above all, improvement in price positioning.

During the last quarter of the year, the work for laying permanent rail tracks and mechanical wagon loading facilities for dispatches was commissioned at Kundanganj. This has significantly enhanced the evacuation capabilities of the plant, which will contribute both by reduction in logistics cost and increasing market reach.

Branding

With a master brand architecture in place the Company now has a portfolio of 10 premium and popular brands. MP Birla is one of the pioneers in the cement category to follow a differentiated brand strategy across price points and consumer psychographics. MP Birla Cement, with its wide portfolio of brands, attempts to offers best value to customers depending on their aesthetic preferences, construction needs, applications and geographical conditions.

The latest super-premium range of value-added cement, Samrat Advanced, Perfect Plus and Ultimate Ultra, has been designed to produce superior quality concrete for high-class construction. With focus on increasing the share of premium grade cement in the overall volumes, the newly launched premium grade brands are fast penetrating the markets.

As a part of “co-branding” initiatives, the premium cement brands, MP Birla Perfect Plus and MP Birla Ultimate, have started being manufactured at Chanderia during the year for the North markets, Western Madhya Pradesh, Gujarat and Western Uttar Pradesh.

Once the segmentation exercise has been rolled out, the Company launched its umbrella brand positioning, ‘Cement se Ghartak’, whereby expert on-site technical service is provided to customers through a wide network of engineers on vans and bikes.

New Products

In January 2019, MP Birla Cement Perfect Plus introduced a range of construction chemicals, for waterproof homes, and wall putty, to give homes enduring beauty. These are Perfect Plus IWP (integral waterproofing), Perfect Plus SBR (styrene butadiene rubber) Latex and Perfect Plus Wall Putty. Perfect Plus IWP has unique water resistance properties whereas Perfect Plus SBR Latex is a multipurpose polymer-based waterproofing and repair solution. The introduction of these products will create a significant new revenue stream for the Company and all its trade partners. This will also create opportunities for the Company to foster new partnerships with retailers of construction materials.

Digital Marketing and Analytics

The Company has invested in CRM and digital platforms to connect better with customers and influencers and drive loyalty. It has Club Ultimate, a dealers’ loyalty programme. Also, there is *Armaan Nirmaan*, an app for dealers, retailers and influencers to place order, track sales and get rewarded. Within a short time more than 100,000 masons, contractors and engineers have come on board with whom the Company now has direct communication links. This is already showing results in increasing Recommendation scores for MP Birla Cement brands.

Mining operations at Chanderia:

The Mining Operations (through blasting) at the Chanderia plant had been suspended since August, 2011 owing to the Order of Jodhpur High Court (Rajasthan), which was challenged by the Company before the Hon’ble Supreme Court. As a partial relief, the Supreme Court had allowed mining operations beyond two kms from the Chittorgarh

Fort by using heavy earth moving machinery. The Hon’ble Supreme Court had further directed the Central Building Research Institute (CBRI) to submit a report after comprehensive study of all relevant aspects and facets relating to full-scale mining operations and its impact, if any, on the Chittorgarh Fort. The report of CBRI has concluded that vibrations and air pressures induced by the mine of Birla Cement Works and adjoining mines are well within safe limits as per national and international standards and there is no damage to the Fort due to the mining operations. The Company has filed an Interim Application seeking Interim Relief for blasting at the existing working pit. The matter is in the final stage of hearing.

The Principal Bench of the National Green Tribunal (NGT) on 8th March 2019 has ordered to stop all mining activities which are being carried out within the municipal limits of Chittorgarh City and within 10 km of Bassi Wildlife Sanctuary or within the eco-sensitive zone of Bassi Wildlife Sanctuary, if finally notified.

The Company has taken effective steps to ensure that no mining takes place in the area falling within the restrictions prescribed in NGT’s Order.

The Company does not anticipate any material impact of the said Order on the current operations as it has sufficient reserves in areas outside the limits covered by the Order.

(c) THREATS, RISKS AND CONCERNS :

The cement industry is witnessing consistently increasing trend in cost of inputs and dearer imports due to depreciation of the rupee and increase in fuel costs, which may affect margins.

Cement companies may face pressure on their profit margins on account of higher power and fuel and freight costs led by rising prices of pet coke, coal and diesel.

Non-availability of railway rakes is posing a key risk to the industry as the movement of both in-bound as well as out-bound materials is getting constrained affecting volumes. Any restriction on use of Pet Coke may also affect the profit margins of the industry. Non-resolution of restriction on sand mining in various States can continue to hamper the demand for cement.

The Ministry of Environment, Forest and Climate Change (MoEFCC) has introduced new environment norms which are very difficult to implement. Non-compliance of new standards imposes high degree of complexity as it may lead to reputational and financial consequences. Various projects across operations within the Company have been taken up to comply with the new emission standards (Sox and Nox) issued by MoEFCC.

(d) OPPORTUNITIES AND OUTLOOK :

The Company has successfully created a unique Master-brand identity for its offerings under the MP Birla Cement franchise. Its material benefits are now available in the form of significant opportunities in cross-branding, higher share of shelf and synergies in the trade and distribution channels.

The Company has radically restructured its Logistics function both for inward and outward movement. This has resulted not only in cost optimisation and service efficiencies but also helped tighten the working capital cycle.

Cement Production is expected to grow 6%-7% in the current fiscal year driven by pick-up in affordable and rural housing segments and infrastructure, primarily road and irrigation projects. However, rising costs may put pressure on the operating profitability of cement firms in the coming quarters.

It is believed that the capacity utilizations of the cement industry would improve gradually over the next two years on account of limited capacity additions amidst the turnaround of acquired assets.

The Indian Real Estate Sector is likely to witness a surge in demand and sales in the financial year 2019-20, on the back of recent changes in Goods and Services Tax (GST) Rate for the sector and reduction in Repo Rate.

India being an agro-based economy, monsoon plays an important role. The Indian Meteorological Department has projected a near normal monsoon this year at 96% of the long period average.

The formation of the new government after the conclusion of the General Elections would have a bearing on the growth of the economy of the country.

Cushman and Wakefield has, in a recent report, said investors have injected a staggering \$ 2.5 billion, or ₹17,600 crore, into the real estate sector in the March quarter – a record high for the quarter in at least a decade. The trend is expected to continue. As a strategy, Birla Corporation Limited will continue to focus on Individual Home Buyers, providing them with quality construction materials and support services, to further increase realisation and sale of its premium brands.

1.2 JUTE DIVISION

(a) INDUSTRY STRUCTURE AND DEVELOPMENTS:

The jute industry is mostly concentrated in the eastern part of India, particularly in West Bengal. It plays a vital role in the economy of the State supporting more than 3,00,000 workers and more than 4 million farm families. The industry is principally dependent on orders from the food grains procuring agencies of the Government and, over the previous few years, dependence on Government orders has been increasing and currently accounts for about 70% of its installed capacity.

Shortage of labour has been affecting the industry as adequate manpower is not available to run the plant at optimum levels.

(b) PERFORMANCE :

Production & Despatch

Particulars	2018-19	2017-18	CHANGE %
Production of Jute Goods (MT)	37308	37208	0.27
Dispatches of Jute Goods (MT)			
a) Domestic	35136	31827	10.40
b) Export	2955	5388	-45.15

Sales

Particulars	2018-19 (₹ in Lakh)	2017-18 (₹ in Lakh)
Net Sales		
a) Domestic	29747.11	25596.35
b) Export	2944.13	4881.27
FOB Value	2892.73	4781.14

(c) OPPORTUNITIES AND THREATS, RISKS AND CONCERN :

Opportunities :

With increasing concern and awareness about the adverse effect of synthetic packaging material on the environment, the demand for jute goods is expected to revive in the near future. Jute products being environment friendly and biodegradable have an edge over the packing material. Increase in use of jute shopping bag, floor covering and jute geotextile products provide opportunity to boost demand of jute goods. There is a huge order for B.twill bags from the Government but the industry is not able to meet the demand due to acute shortage of labour. With the signing of tripartite agreement, minimum wages have increased significantly from ₹257 to ₹370 per day. The hike in wages is likely to help in better availability of workforce in the ensuing year.

Threats, Risks and Concern :

The jute industry faces the daunting task of competing with subsidized duty-free imports from Bangladesh. Not only is the industry losing overseas market shares to Bangladesh but Bangladesh is also extensively pushing its jute goods to India, eroding the market share of Indian mills.

Jute manufacturing is a labour intensive process and requires huge labour force. It has traditionally been dependent on migrant labours from nearby States. Now, migration from the other States has virtually dried due to employment availability locally. Further, local people are getting alternate

employment in lighter jobs like embroidery, masonry etc. Difficulty in getting workers for running the mills is resulting in lower capacity utilization, causing increase in the cost of production per unit.

To overcome the problems of a) loss of traditional market, b) lower availability of workers, c) subsidized import from Bangladesh and d) ever increasing raw jute prices, the Company has taken up large-scale modernization of the mills which would lead to lower requirement of manpower. It will also help reduce cost and diversify in non-traditional product category.

(d) OUTLOOK :

The increase in cost of jute bags has further widened the gap between their prices with those of synthetic bags. If this trend continues, there is strong concern that packing of many more commodities will shift to synthetic packaging material. Loss of traditional market of jute to synthetic fabric is likely to cause a major problem of insufficient demand for the industry.

With a view to improving its performance, the Jute Division is taking various measures such as reducing dependence on Government orders, increase presence in food-grade jute bags in various countries, develop new value-added products/designs, including new fabrics for shopping bags, curtains, upholstery etc.

The Division is confident that the above efforts, coupled with the investments, both currently and past, will help it mitigate the structural risks facing the industry.

1.3 VINDHYACHAL STEEL FOUNDRY :

Vindhyachal Steel Foundry produces iron & steel castings primarily for internal consumption. The total production of castings during the year has been 591 Ts. as against 731 Ts. in the previous year. The total sale of castings during the year was 552 Ts. (including 402 Ts. within the company) against 550 Ts. (382 Ts.) the previous year.

CAPITAL EXPENDITURE

Satna :

Projects Completed during 2018-19

- ▶ Commissioning of Bag House at SCW kiln & Raw Mill circuit and ESP at BVC kiln & Raw Mill circuit to reduce dust emission.
- ▶ Installation of fuel efficient low NOx pyro jet burner at both SCW & BVC Kiln firing.
- ▶ Installation of Air Cooled Condenser (ACC) at 27 MW CPP to reduce water consumption substantially and reduce auxiliary power consumption.

- ▶ Replacement of old cooling tower with new energy efficient cooling tower at WHRS – BVC to reduce water consumption and auxiliary power consumption.

Project Sanctioned/Started in 2018-19 and under implementation

- ▶ Installation of AFR handling and shredding system.
- ▶ Installation of Cross Belt Analyser in limestone circuit to control the quality of limestone stockpile.
- ▶ Installation of 1 MW solar power plant to promote green energy.

Raebareli :

Projects Completed during 2018-19

- ▶ Installation of 2 Nos Bag filter in cement mill area for proper ventilation and control dust emission.
- ▶ Installation of belt conveyor and feeding hopper for gypsum feeding into crusher.
- ▶ Installation of fly ash extraction system at new ESP field at NTPC Unchahar.

Project Sanctioned/Started in 2018-19 and under implementation

- ▶ Installation of new 100 MT truck tipper for handling long-body trucks and increasing clinker and gypsum unloading capacity.
- ▶ Installation of dense phase system to convey the coarse fly ash from RHTC coarse silo to RCW fly ash silo.
- ▶ Construction of new 2000 MT cement silo with packer to increase cement dispatch capacity.
- ▶ Installation of water harvesting system.

Chandaria :

Projects Completed during 2018-19

- ▶ Increase of existing shed height with structural strengthening of gypsum store yard to ramp up storage capacity.
- ▶ Replacement of existing twin lobe roots blowers with higher speed 2 Nos turbo blowers for CCW pyro section for energy saving.

Project Sanctioned/Started in 2018-19 and under implementation

- ▶ Expansion project of NCCW plant to increase clinker production capacity from 3,600 to 5,500 TPD.
- ▶ Installation of 3 MW solar power plant.

- ▶ Installation of cross belt analyzer at OLBC discharge for inline quality control of limestone stockpile.

Durgapur :

Projects Completed during 2018-19

- ▶ Side covering done at crane gantry area for clinker, gypsum and slag.
- ▶ Cover shed constructed for raw coal near coal mill.

Project Sanctioned/Started in 2018 -19 and under implementation

- ▶ Capacity enhancement of old wagon tipper from 90 MT to 110 MT to unload high capacity wagons and improving structural stability of the system.
- ▶ Construction of RCC retaining wall in C-D crane gantry.

Birla Jute Mills, Birlapur :

Project Sanctioned/Started in 2018-19 and under implementation

Replacement of old 64 Victor looms with new looms.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 and Rules framed thereunder, is marked as “**Annexure – B**” which is annexed hereto and forms part of the Directors’ Report and is also uploaded on the Company’s website at <http://www.birlacorporation.com/annual-return-form-mgt-9.pdf>.

COMPOSITION, NUMBER AND DATES OF MEETINGS OF THE BOARD AND COMMITTEES

The details of the composition, number and dates of meetings of the Board and Committees held during the financial year 2018-19 form part of the Report on Corporate Governance. The number of meetings attended by each Director during the financial year 2018-19 also forms part of the Report on Corporate Governance.

DIRECTORS’ RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013 your Directors state that:

- in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been

made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2018-19 and of the profit for the year ended 31st March, 2019;

- 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;
- the annual accounts for the year ended 31st March, 2019, have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

CREDIT RATING

CRISIL has reaffirmed its ratings on short term debt including Commercial Paper (CP) to the extent of ₹300 crore as “A1+”. Long term Non-Convertible Debentures of the Company of ₹280 crore has reaffirmed its rating as “AA” (Outlook Negative) by CRISIL.

ICRA has assigned a rating of “AA” (Outlook Negative) for Long Term Non-Convertible Debentures of the Company of ₹400 crore.

Further, CARE has reaffirmed its rating on Long Term Facilities as “CARE AA” (Outlook Stable) and “CARE A1+” (outlook Stable) for the Company’s Short Term Bank facilities aggregating to ₹1898 crore. The rating Committee of CARE has reaffirmed as “CARE AA” (Outlook Stable) for the outstanding Non-Convertible Debentures of ₹680 crore. CARE has assigned its rating of “AA” (Outlook Stable) for Long Term Bank Facilities of ₹376.08 crore.

FINANCE

The Company efficiently manages its surplus funds by investing in highly rated debt securities, fixed deposits and debt schemes of mutual funds considering safety, liquidity and return. The Company continuously undertakes review of its liabilities to reduce cost.

The Company has prepaid External Commercial Borrowing (ECB) aggregating to USD 25 Million to DBS Bank Limited, Singapore and Standard Chartered Bank, London, and also prepaid USD

3.05 Million to Deutsche Bank AG, Germany. The Company has borrowed ₹280 crore from Axis Bank Limited.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Code as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Report on Corporate Governance, along with certificate from the auditors confirming the compliance of conditions of Corporate Governance, is annexed and forms part of the Annual Report.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year 2018-19 were on an arm's length basis and were in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to your Company.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted, along with a statement giving details of all related party transactions, are placed before the Audit Committee.

The policy on Related Party Transactions, as approved by the Board, is uploaded on the Company's website and may be accessed at the link <http://www.birlacorporation.com/investors/policies/related-party-transactions-policy.pdf>.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under the provisions of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in "**Annexure – C**", which is annexed hereto and forms part of the Directors' Report.

RISK MANAGEMENT

Risk Management is the process of identification, assessment, and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and / or impact of unfortunate events or to maximise the realisation of opportunities. The Company has adopted a comprehensive Risk Management Policy which is reviewed by the Audit Committee and approved by the Board from time to time. These procedures

are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/ measures have been formulated in the areas such as business, quality, market, litigation, logistics, project execution, financial, human resources, environment and statutory compliance.

AWARDS & RECOGNITIONS

- ▶ During the year, the Satna Unit has won CSR Platinum Award, 2008.
- ▶ The Durgapur Unit has received Excellence award from National Convention on Quality Concepts, Gwalior.
- ▶ Chanderia Unit has received the following awards :
 - i) First Award from Quality Circle Forum of India, Hyderabad, for various initiatives undertaken by the Unit in the areas of environment.
 - ii) Gold Award in the field of Environment Excellent and Best Practices in Cement Sector by Apex India Foundation, New Delhi.

OCCUPATIONAL HEALTH & SAFETY

Employees of the Company play an important role in operations and growth, and are considered the most valuable assets. Their personal and professional development along with health and safety are among the top priorities of the organization.

The Company complies with all Statutory Provisions as required under the Factories Act. Competent persons carry out compulsory testing / examination of lifting tools, pressure vessels, cranes, safety belts etc. as per statutory requirement. For effective accident prevention, we routinely investigate and analyse all serious and fatal accidents, and obtain recommendations/remedial measures to prevent similar accidents. Near-miss situation/incident with no injury is accorded serious consideration for planning of preventive measures.

As a part of safety measures, we are ensuring almost 100 per cent use of Personal Protective Gear by educating workers the need to use them. Various periodical health check-ups are conducted from time to time to monitor health hazards, if any.

Safety posters, slogans are widely displayed inside our factories – at shop floors, canteen and plant gates – to continuously remind everyone about safe working practices and environment so as to inculcate a culture of safety among workers. Safety day/ week celebration is organized every year with a view to improving consciousness amongst workers.

CORPORATE SOCIAL RESPONSIBILITY

In line with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR)

policy for the development of programmes and projects for the benefit of weaker sections of society and the same has been approved by the CSR Committee and the Board of Directors of the Company.

The Corporate Social Responsibility (CSR) policy of the Company provides a road map for its CSR activities. The purpose of CSR Policy is to devise an appropriate strategy and focus its CSR initiatives and lay down the broad principles on the basis of which the Company will fulfill its CSR objectives. As per the said policy, the Company continues the strategy of discharging part of its CSR responsibilities related to social service through various trusts/societies, in addition to its own initiatives and donations made to other non-government organizations.

The CSR Policy has been uploaded on the Company's website and may be accessed at the link <http://www.birlacorporation.com/investors/policies/csr-policy.pdf>

Pursuant to the requirement under Section 135 of the Companies Act, 2013 and Rules made thereunder a Report on CSR activities and initiatives taken during the year in the prescribed format is given in "**Annexure – D**", which is annexed hereto and forms part of the Directors' Report.

The Company is actively associated with various social and philanthropic activities undertaken on its own as well as by different Trusts and Societies. As a constructive partner in the communities in which it operates, the Company has been taking concrete action to realize its social responsibility objective. The Company has been playing a pro-active role in the socio-economic growth and has contributed to all spheres ranging from health, education, empowerment of women, rural infrastructure development, environment conservation etc. In the past nine decades, the Company has supported innumerable social initiatives in India, touching the lives of lakhs of people positively by supporting environmental and health-care projects and social, cultural and educational programs.

Health, Educational and Social Initiatives :

The Company provides active assistance, financial as well as managerial, to various hospitals and educational and philanthropic institutions set up by trusts and societies.

The Company has provided financial as well as administrative support for setting up a hospital in Chittorgarh namely M.P. Birla Hospital & Research Centre, where the Company has two cement plants.

This is a state-of-the-art multi-speciality hospital, which has diagnostic and treatment facilities for Emergency, General Medicines, Cardiology, Orthopaedics, Gynaecology, Childcare (NICU & SCBU), General Surgery, Urology, Nephrology, Neurology, Ophthalmology, Radiology including CT scan & Colour Dopplers, Dental, ENT, Dermatology, Pharmacy and Physiotherapy amongst

others. The hospital has in-house modern medical & pathological laboratories. The hospital also has Modular Operation Theatres and advanced Intensive Cardiac Care Unit, Intensive Care Unit and Intensive Therapy Unit. A Blood Bank is soon to be started.

Currently, in the "In-Patient Department" approximately 115 beds are operational and best medical services are provided to patients at a nominal cost. The hospital has been registered under Bhamashah Swasthya Bima Yojana, thereby enabling poor people to get the benefit of the services provided by the hospital. The initiative has helped people in and around Chittorgarh to avoid travelling to nearby cities like Ahmedabad and Udaipur to get themselves treated.

The 200,000 sq. ft hospital has capacity to hold up to 200 beds. The hospital building consists of basement, ground and four floors. The separate housing wing is made up of ground and four floors, which are used as residence by doctors, nurses and paramedical staff.

This apart, the CSR activities undertaken include:

01] Health care activities :

As a part of CSR activity under the health care initiatives, the Company provides various health care facilities like free medical check-up, free treatment and medicines for needy people. The Company organized medical check-up camps, free eye camps, speciality health camps on paediatric and gynaecology cases. Apart from this, the Company conducted adolescent health awareness camp and provided baby kits to new born babies to improve health and reduce death rate. The Company also donated gowns for mother and infants under 'Kangaroo Mother Care Scheme' launched by the U.P. Government with a view to giving proper and better care to mothers and infants.

02] Education :

In addition to financial and institutional support provided to the schools located close to the Company's plants, the Company organized various competitions involving students. School dresses, bags and stationeries copies are also provided free to underprivileged students. Foods and sweets were distributed in villages near our plants on Independence Day and Republic Day. Under the 'Swachh Bharat' mission, the Company renovated toilets for girls and boys and provided water tank for drinking water. The Company also upgraded math labs in schools. For better computer skills of students the Company provided teachers to impart basic training in computers.

03] Empowerment of women :

Empowerment of women is one of the Company's long-term initiatives. With the aim of imparting women the skills to get jobs, the Company has taken various initiatives to promote

skill development. The Company also supports schemes that generate employment for women in villages surrounding its factories and mining areas. Necessary training and support are provided to self-help groups run by women under various projects to make them self-reliant.

04] Animal welfare :

Livestock Development :

A programme for livestock and agricultural development was launched by the Company with the support of M/s. BAIF Development Research Foundation, Pune, in the villages near the mining areas of the Company. It will help in developing high-yielding breeds of cattle and small ruminants such as goat and sheep. Secondly, this will help in providing good quality seeds and training on best practices to farmers by experts.

Horticultural Development :

The Company has developed 31 orchards in its mining lease area where the beneficiaries have started accruing income on regular basis.

05] Promotion on rural sports :

The Company encourages rural sports and activities by financially supporting State-level competition in which rural youths participate.

06] Other Social Initiatives :

The Company undertakes various other social welfare activities and rural development projects such as providing drinking water facilities, ceiling fans to places of worship and water coolers at public places in the neighbourhood of its plants. The Company has made contribution towards various art and cultural programmes and has helped with the upkeep of Sitamata Wildlife Sanctuary. The Company has also supported various awareness programmes on road safety and the importance of voting in elections. The Company has also donated blankets to the underprivileged and contributed to the renovation of important historical and religious sites.

07] Environmental sustainability :

The Company is well aware of its responsibility towards sustainable development and environment. Various initiatives have been taken for Clean Development Mechanism (CDM) and pollution prevention.

Eco-friendly plantations have been created in and around the plants. Equipment for pollution control is kept under regular inspection and emission levels are monitored to remain within statutory limits. Concerns for environment

and sustainable development are integral to the Company's business decisions.

Interventions such as Bag Dust Collectors and water spray system in dust generation areas have significantly reduced pollution. SO₂ & NO_x gas analyzer in kiln stack has been installed for close monitoring. Sheds have been constructed for maintaining good housekeeping inside plants. Measures have also been taken for conservation of limestone reserves. Water tankers, pumps, rain guns and water spray system have been provided for pressurized spraying to control dust pollution around mining areas and connecting roads.

The Company has started using Alternative Fuel and Raw Material Feeding System (AFRS) for higher use of alternative fuel on continuous basis at its clinker manufacturing units. This move ensures availability of alternative fuel throughout the year and has resulted in reduction of fuel costs and also helped in reducing the carbon footprint.

The Waste Heat Recovery System at Satna and Chanderia plants of the Company uses the hot gases coming out of the pre-heater and clinker cooler to generate substantial power, thereby reducing Green House Gas (GHG) emissions. Grinding aid is introduced in all the units to improve consumption of fly ash and slag. Further, to protect the environment, the Company has consumed substantial quantity of fly ash during 2018-19 at various cement plants. This has resulted in reduction of clinker usage, which in turn reduced GHG emissions at our plants, without compromising on the quality and the strength of our cement.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form an integral part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation

Shri Bachh Raj Nahar (DIN: 00049895) Director, who retires by rotation at the ensuing Annual General Meeting (AGM) has expressed his unwillingness to be re-appointed.

Re-appointment

Smt. Shailaja Chandra (DIN: 03320688) has been re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years w.e.f. 4th February, 2020 subject to approval of the shareholders at the ensuing Annual General Meeting of the Company by passing Special Resolution as per Section 149(10) read with Schedule IV of the Companies Act, 2013.

Key Managerial Personnel (KMP)

The following are the Key Managerial Personnel of the Company :

1. Shri Bachh Raj Nahar : Managing Director
2. Shri Pracheta Majumdar : Wholetime Director designated as Chief Management Advisor
3. Shri Aditya Saraogi : Chief Financial Officer
4. Shri Girish Sharma : Company Secretary

None of the Directors/KMP has resigned during the financial year 2018-19.

DECLARATION BY INDEPENDENT DIRECTORS

Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruva Narayan Ghosh, Dr. Deepak Nayyar and Smt. Shailaja Chandra are Independent Directors on the Board of the Company. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of the Company, *inter alia*, includes the aims and objectives, principles of remuneration, guidelines for remuneration to Executive Directors and Non-Executive Directors, fixed and variable components in the remuneration package, criteria for identification of the Board members and appointment of senior management.

The criteria for identification of the Board Members, including those for determining qualification, positive attributes, independence etc. is summarily given hereunder:

- ▶ The Board member shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- ▶ An Independent Director shall be a person of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/philosophy/strategy of the Company.

- ▶ In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements.
- ▶ A Director should possess high level of personal and professional ethics, integrity and values. He/she should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- ▶ A Director must be willing to devote sufficient time and energy in carrying out his/her duties and responsibilities effectively. He/she must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- ▶ The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieve its objectives.

The Nomination and Remuneration policy as approved by the Board is uploaded on the Company's website and may be accessed at the link <http://www.birlacorporation.com/investors/nomination-and-remuneration-policy.pdf>.

BOARD EVALUATION

The Nomination and Remuneration Committee pursuant to the powers delegated to it by the Board, has carried out an annual evaluation of the performance of the Board, the Directors individually as well as the evaluation of the functioning of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non-Independent Directors. The Board has carried out the performance evaluation of Independent Directors of the Company.

CRITERIA FOR EVALUATION OF DIRECTORS

For the purpose of proper evaluation, the Directors of the company have been divided into 3 (three) categories i.e. Independent, Non-Independent & Non-Executive and Executive.

The criteria for evaluation include factors such as engagement, strategic planning and vision, team spirit and consensus building, effective leadership, domain knowledge, management qualities, team work abilities, result/ achievements, understanding and awareness, motivation/ commitment/ diligence, integrity/ethics/ values and openness/receptivity.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, the name of the Company's material subsidiary Reliance Cement Company Private Limited has been changed to RCCPL Private Limited (RCCPL) w.e.f. 1st August, 2018.

Considerable efforts have been made by the management for improving its operational efficiencies which has led to significant improvement in all parameters across the board. The operations of RCCPL have stabilized and it is achieving operating parameters that are among the best in the industry. The planned synergies, expected out of the acquisition, are also getting realized with successful integration of its operations with the Company.

During the year under review, the Board of RCCPL had approved the following capital expenditures :

1. Setting up of 3.90 million tons Greenfield Integrated Cement Plant at Mukutban (Maharashtra) with 40 MW Captive Power Plant and 10.60 MW Waste Heat Recovery System at an estimated cost of Rs.2,450 crore. The bhoomi puja or the ground breaking ceremony for the project took place on 23rd January, 2019. Since then construction of the plant has started. The project is progressing as per schedule and is expected to be commissioned in 2021-22.
2. Second phase expansion of existing capacity of grinding cement plant at Kundanganj by installing a third line with a capacity of 1.20 million tons per annum with cement mill, packing plant, wagon loading and permanent connectivity with railway etc. at an estimated cost of ₹250 crores.
3. 12.25 MW Waste Heat Recovery System (WHRS) is going to be commissioned at Maihar in the first quarter of 2019-20.
4. The Company has been steadily ramping up production at its Sial Ghogri coal mine in Madhya Pradesh. The production is expected to go up to the optimum level in the next financial year.

As on 31st March, 2019 the Company had 7 (seven) subsidiary companies. During the year, 1(one) subsidiary company, namely Birla North East Cement Limited was wound up. Two subsidiary companies, namely Thiruvaiyaru Industries Limited and Birla Corporation Cement Manufacturing PLC, Ethiopia, are under the process of voluntary winding up. In view of the aforesaid, these subsidiaries have not been considered in preparing the Consolidated Financial Statements.

The erstwhile 2 (two) Associate Companies, namely Birla Readymix Private Limited and Birla Odessa Industries Private Limited, have been struck off and the names of the same have been removed from the Register of Companies.

No Company has become or ceased to be the joint venture of the Company during the financial year 2018-19.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form

AOC-1 forms part of the consolidated financial statement and hence not repeated here for the sake of brevity.

DEPOSITS

During the year under review, the Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future.

INTERNAL CONTROL AND SYSTEMS

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance with statutes, corporate policies and procedures.

Internal Audit is conducted periodically across all locations by Chartered Accountant/ (audit) firms who verify and report on the efficiency and effectiveness of internal controls. The adequacy of internal control systems are reviewed by the Audit Committee of the Board periodically.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed.

The policies and procedures adopted by the Company ensures orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy in the record-keeping and timely preparation of reliable financial information.

The Internal Auditors and the Management Audit Department continuously monitor the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management measures with regard to the Internal Financial Control system.

VIGIL MECHANISM POLICY

The Company has framed a Vigil Mechanism Policy to deal with unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any. The Vigil Mechanism Policy has also been uploaded on the website of the Company.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure 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 is marked as “Annexure – E” which is annexed hereto and forms part of the Directors' Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement comprising the names of top 10 (ten) employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration exceeding the prescribed limit, forms an integral part of Directors' Report.

The above Annexure is not being sent along with this Annual Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS

Employees are the core strength of the Company. Therefore, at all times, we focus on creating the right workplace environment that provides opportunities for our employees to improve their performance. Robust and up to date HR Policies are in place for proper evaluation of performances, which is the key to building future leaders.

HR functions in the organization have witnessed a paradigm shift and evolved to bring together modern day practices with proper use of technology and automation. This has had a profound impact on the morale and motivation of the employees who are the prime-movers. The Company has succeeded in fostering a relationship with its employees which will help transform the organization.

There is a well-calibrated mechanism to reward meritocracy.

Learning and development initiatives for our employees are geared to enable all-round performance, both as individuals and as teams.

Encouraging cordial working relation and maintaining good industrial relations have been the philosophy and endeavour of the HR Department. On the whole, industrial relation scenario has been good. Statutory compliances related to labour laws have been followed with due emphasis.

Industrial relations continued to remain cordial throughout the year at all the units. Suspension of Operation continues at Soorah Jute Mills, Auto Trim Division, Birlapur, and at Birla Vinoleum, Birlapur.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

In order to provide women employees with a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a Policy on 'Prevention and Redressal of Complaints relating to Sexual Harassment of Women at the workplace'. The said Policy has been uploaded on the internal portal of the Company for information of all employees.

An Internal Compliance Committee has been set up comprising three employees and one outside member. One of the female employees is the Presiding Officer of the Committee.

No complaint pertaining to sexual harassment of women employees from any of the Company's locations was received during the financial year ended 31st March, 2019.

AUDITORS & AUDITORS' REPORT

Statutory Auditors :

M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No. 109208W), were appointed the Statutory Auditors of the Company at the 97th Annual General Meeting of the Company held on 31st July, 2017 for a term of five consecutive years commencing from the conclusion of the 97th (Ninety Seventh) Annual General Meeting till the conclusion of the 102nd (Hundred and Second) Annual General Meeting of the Company to be held in 2022.

The notes on accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any comments.

Cost Auditors :

The Board of Directors on the recommendation of the Audit Committee appointed M/s. Shome & Banerjee, (Firm Registration No.000001), Cost Accountant, as the Cost Auditors of the Company

for the financial year 2019-20 for auditing the cost records relating to cement, jute goods and steel products manufactured by the Company. The remuneration proposed to be paid to the Cost Auditor is subject to ratification by the shareholders of the Company at the ensuing Annual General Meeting.

M/s. Shome & Banerjee has confirmed that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) and all other applicable provisions of the Companies Act, 2013 and their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

Secretarial Auditors :

The Board of Directors on the recommendation of the Audit Committee had appointed M/s Mamta Binani & Associates, practising Company Secretaries, to conduct secretarial audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the Financial Year ended 31st March, 2019 is annexed herewith and marked as **"Annexure - F"**. The Report is self-explanatory and do not call for any comments.

Further, the Board on the recommendation of the Audit Committee had appointed M/s Mamta Binani & Associates, Practicing Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2019-20.

There are no audit qualifications, adverse remarks or disclaimer in the respective reports of the Statutory Auditors and Secretarial Auditors for the year under review.

None of the Auditors of the Company has reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Secretarial Standards :

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion & Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws or regulations. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials and fuels cost & availability, transportation costs, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

APPRECIATION

We wish to place on record our appreciation for the continued support and co-operation received by the Company from the Government of India, State Governments, Financial Institutions, Banks, Dealers, Customers and last but not the least, from our Shareholders.

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,
Dated, the 3rd day of May, 2019

ANNEXURE TO DIRECTORS' REPORT**ANNEXURE – 'A'****DIVIDEND DISTRIBUTION POLICY****PREAMBLE, OBJECTIVE AND SCOPE**

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.

To comply with the above requirement and with an endeavor to maintain a consistent approach to dividend pay-out plans, the Board of Directors ('Board') of Birla Corporation Limited ('the Company') adopts this Dividend Distribution Policy ('Policy').

The objective of this Policy is to:

- (i) specify the parameters (including internal and external factors) that shall be considered while declaring the dividend;
- (ii) lay down the circumstances under which the shareholders of the Company may or may not expect dividend; and
- (iii) provide for the manner of utilization of retained earnings.

EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e. 8th February, 2017.

PARAMETERS/ FACTORS AFFECTING DIVIDEND DECLARATION

The Board of Directors of the Company shall, *inter-alia*, consider the following Parameters for recommendation / declaration of Dividend:

External Factors :

- ▶ **Macroeconomic conditions:** In the event of uncertain or recessionary economic and business conditions, the Board may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances;
- ▶ **Statutory requirements:** Statutory requirements, regulatory conditions or restrictions as applicable including tax laws, the Companies Act, 2013 and SEBI regulations etc;
- ▶ **Agreements with Lending Institutions:** The Board may consider protective covenants in a bond indenture or loan agreement that may include leverage limits & restrictions on payment of cash dividends in order to preserve the Company's ability to service its debt;
- ▶ **Capital Markets:** In favourable market scenarios, the Board may consider liberal pay-out. However, it may resort to a conservative dividend pay-out in case of unfavourable market conditions.
- ▶ **Taxation Policy:** The tax policy of the country may also influence the dividend policy of the Company. The rate of tax directly influences the amount of profits available to the Company for declaring dividends.
- ▶ Any other factor as may be deemed fit by the Board.

Internal Factors :

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which *inter-alia* will include:

- ▶ Financial performance including profits earned (standalone), available distributable reserves etc;
- ▶ Impact of dividend payout on Company's return on equity, while simultaneously maintaining prudent and reasonably conservative leveraging in every respect e.g. Interest coverage, DSCR (Debt Service Coverage Ratio) Debt: EBITDA and Debt: Equity, including maintaining a targeted rating – domestically and internationally;
- ▶ Alternate usage of cash viz. acquisition/Investment opportunities or capital expenditures and resources to fund such opportunities/ expenditures, in order to generate significantly higher returns for shareholders;

ANNEXURE TO DIRECTORS' REPORT (Contd.)

- ▶ Leverage profile, liabilities and liquidity position of the Company;
- ▶ Fund requirement for contingencies and unforeseen events with financial implications;
- ▶ Past Dividend trend including Interim dividend paid, if any; and
- ▶ Any other factor as deemed fit by the Board.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to, the following:

- ▶ The Company is in higher need of funds for acquisition/ diversification/ expansion/ investment opportunities/ deleveraging or capital expenditures;
- ▶ The Company has incurred losses or in the stage of inadequacy of profits;
- ▶ Significantly higher working capital requirements adversely impacting free cash flow;
- ▶ Due to operation of any law in force;

The Shareholders of the Company may expect dividend only if the Company is having surplus funds after providing for all the expenses as may be statutorily required under various legislations applicable to the Company.

In addition to the above, the Board of Directors of the Company may also consider declaration of any special dividend, on special occasions, as and when they may deem fit, subject to the provisions of the Companies Act, 2013 and rules made thereunder and other relevant requirements, if any.

Further, the Board may also take into consideration such other circumstances as it may in its absolute discretion think fit.

UTILIZATION OF RETAINED EARNING

The Board may retain its earnings in order to make optimum utilisation of the available resources and enhance the shareholder's value. The retained earnings of the Company can be used for acquisitions, expansions, diversifications or for meeting the working capital requirements, other liabilities of the Company or for any other object covered in Memorandum of Association; or may be retained for its business purpose in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder, if any, the Listing Regulations, other applicable legislations governing dividends and the Memorandum and Articles of Association of the Company, as in force and as amended from time to time.

The decision of distributing dividend or utilisation of the retained earnings shall be taken after having due regard to the parameters laid down in this Policy.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

Presently, the issued share capital of the Company comprises of only one class of Shares i.e. equity shares. In the event of the Company issuing any other class(es) of shares, it shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

DISCLOSURE

The Company shall disclose the Policy on the Company's website and a web link thereto shall be provided in the Annual Report.

REVIEW & AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Board has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

ANNEXURE TO DIRECTORS' REPORT (Contd.)
ANNEXURE – 'B'
Form No. MGT-9
**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019**
of
BIRLA CORPORATION LIMITED

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L01132WB1919PLC003334
iii)	Registration Date	25th day of August, 1919
iii)	Name of the Company	BIRLA CORPORATION LIMITED
iv)	Category/Sub Category of the Company	Public Company/Limited by shares
v)	Address of the Registered Office and contact details	Birla Building, 9/1, R.N. Mukherjee Road Kolkata – 700 001 Phone: (033) 6616 6729/ 6737/ 6738 Fax: (033) 2248- 7988 / 2872 E-mail: coordinator@birlacorp.com
vi)	Whether listed company	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	MCS Share Transfer Agent Ltd. 383, Lake Gardens, 1st Floor Kolkata - 700045 Phone : (033) 4072- 4051/ 4052 Fax : (033) 4072 – 4050 E-mail : mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company)

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Cement	2394	92% Approx

ANNEXURE TO DIRECTORS' REPORT (Contd.)
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	RCCPL Private Limited (formerly Reliance Cement Company Private Ltd.) 'Industry House', 159, Churchgate Reclamation, Mumbai - 400 020	U26940MH2007PTC173458	SUBSIDIARY	100.00	2(87)
2	Lok Cement Limited 'Industry House', 159, Churchgate Reclamation, Mumbai - 400 020	U26922MH1995PLC085677	SUBSIDIARY	100.00	2(87)
3	Talavadi Cements Limited Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U72900WB1995PLC099355	SUBSIDIARY	98.01	2(87)
4	Birla Jute Supply Company Limited Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U01113WB1950PLC093522	SUBSIDIARY	100.00	2(87)
5	Budge Budge Floorcoverings Limited Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U36994WB1996PLC076677	SUBSIDIARY	100.00	2(87)
6	Birla Cement (Assam) Ltd. 104A, Dr. B.K. Kakoti Road, Opp. Royal View Building, Ulubari, Guwahati - 781 007 (Assam)	U26940AS2008PLC008652	SUBSIDIARY	100.00	2(87)
7	M.P. Birla Group Services Pvt. Ltd. Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U74999WB2008PTC125257	SUBSIDIARY	100.00	2(87)
8	Birla Readymix Private Limited * Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U26959WB1997PTC082661	ASSOCIATE	46.73	2(6)
9	Birla Odessa Industries Private Limited * Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U17232WB1989PTC046562	ASSOCIATE	48.61	2(6)

* The names of the Companies have been struck off from the Register of Companies.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	1260	1260	0.00	0	1260	1260	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	37373923	5260	37379183	48.54	37379183	0	37379183	48.54	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any otherSociety	11048488	5260	11053748	14.36	11053248	500	11053748	14.36	0.00
Sub Total (A1) :	48422411	11780	48434191	62.90	48432431	1760	48434191	62.90	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A2) :	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A1)+(A2)	48422411	11780	48434191	62.90	48432431	1760	48434191	62.90	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	7712270	2140	7714410	10.02	9249185	1100	9250285	12.01	1.99
b) Banks / FI	12243	15300	27543	0.04	12593	15300	27893	0.04	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	2972317	500	2972817	3.86	3032164	500	3032664	3.94	0.08
g) FIs	2020276	0	2020276	2.62	1606881	0	1606881	2.09	-0.54
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B)(1) :	12717106	17940	12735046	16.54	13900823	16900	13917723	18.07	1.54

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4943082	3208	4946290	6.42	4361656	3117	4364773	5.67	-0.76
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	6466980	387793	6854773	8.90	6733261	327553	7060814	9.17	0.27
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2263818	10510	2274328	2.95	1946079	0	1946079	2.53	-0.43
c) Others (specify)									
i) Non Resident Individuals	339203	4814	344017	0.45	390141	4834	394975	0.51	0.07
ii) Trusts and Foundations & Society	1211528	0	1211528	1.57	654178	0	654178	0.85	-0.72
(iii) NBFCs	10208	0	10208	0.01	11258	0	11258	0.01	0.00
(iv) IEPF	163451	0	163451	0.21	211913	0	211913	0.28	0.06
(v) Employee Trusts	0	0	0	0.00	2500	0	2500	0.00	0.00
(vi) Unclaimed Share Suspense A/c.	31515	0	31515	0.04	6943	0	6943	0.01	-0.03
Sub-total (B)(2) :	15429785	406325	15836110	20.56	14317929	335504	14653433	19.03	-1.54
Total Public Shareholding (B) = (B)(1)+ (B)(2)	28146891	424265	28571156	37.10	28218752	352404	28571156	37.10	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	76569302	436045	77005347	100.00	76651183	354164	77005347	100.00	0.00

ii) Shareholding of Promoters

SL. No.	Shareholder's Name	No. of Shares held at the beginning of the year (as on 01.04.2018)			No. of Shares held at the end of the year (as on 31.03.2019)			% change in share holding during the year
		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	
1	August Agents Ltd.	6015912	7.81	0	6015912	7.81	0	0.00
2	Baroda Agents & Trading Co. Pvt. Ltd	914355	1.19	0	914355	1.19	0	0.00
3	Belle Vue Clinic	175148	0.23	0	175148	0.23	0	0.00
4	Birla Cable Ltd.	280	0.00	0	280	0.00	0	0.00
5	Birla Financial Corporation Ltd.	280	0.00	0	280	0.00	0	0.00
6	East India Investment Co. Pvt. Ltd *	3183	0.00	0	73475	0.10	0	0.09
7	Eastern India Educational Institution	3361200	4.36	0	3361200	4.36	0	0.00
8	Express Dairy Company Limited	280	0.00	0	280	0.00	0	0.00

ANNEXURE TO DIRECTORS' REPORT (Contd.)

SL. No.	Shareholder's Name	No. of Shares held at the beginning of the year (as on 01.04.2018)			No. of Shares held at the end of the year (as on 31.03.2019)			% change in share holding during the year
		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	
9	Gwalior Webbing Co. Pvt. Ltd.	1775200	2.31	0	1775200	2.31	0	0.00
10	Hindustan Gum & Chemicals Ltd.	270000	0.35	0	270000	0.35	0	0.00
11	Hindustan Medical Institution	7159460	9.30	0	7159460	9.30	0	0.00
12	Insilco Agents Ltd.	6004080	7.80	0	6004080	7.80	0	0.00
13	Laneseda Agents Ltd.	5994680	7.78	0	5994680	7.78	0	0.00
14	M.P. Birla Foundation Educational Society	100100	0.13	0	100100	0.13	0	0.00
15	M.P. Birla Institute of Fundamental Research	100	0.00	0	100	0.00	0	0.00
16	Mazbat Investment Pvt. Ltd.*	30412	0.04	0	0	0.00	0	-0.04
17	Mazbat Properties Pvt. Ltd.*	39600	0.05	0	0	0.00	0	-0.05
18	Mazbat Tea Estate Ltd.	1467689	1.91	0	1467689	1.91	0	0.00
19	Punjab Produce Holdings Ltd.	3665407	4.76	0	3665407	4.76	0	0.00
20	Shreyas Medical Society	117740	0.15	0	117740	0.15	0	0.00
21	Estate of Late Smt Priyamvada Devi Birla represented by Justice Ajit Prakash Shah, Shri Amal Chandra Chakrabortti and Shri Mahendra Kumar Sharma in their capacity as Administrators pendente lite	1260	0.00	0	1260	0.00	0	0.00
22	South Point Foundation	140000	0.18	0	140000	0.18	0	0.00
23	The Punjab Produce & Trading Co. Pvt. Ltd	4520572	5.87	0	4520572	5.87	0	0.00
24	Universal Cables Ltd.	296730	0.39	0	296730	0.39	0	0.00
25	Varunendra Trading & Agents Pvt. Ltd.*	280	0.00	0	0	0.00	0	0.00
26	Vindhya Telinklinks Ltd.	6380243	8.29	0	6380243	8.29	0	0.00
	TOTAL	48434191	62.90	0	48434191	62.90	0	0.00

* During the year 2018-19, Mazbat Investment Pvt. Ltd., Mazbat Properties Pvt. Ltd. and Varunendra Trading & Agents Pvt. Ltd. (Amalgamated Companies) have been Amalgamated with East India Investment Co. Pvt. Ltd. Consequent upon Amalgamation, the shares held by the Amalgamated Companies have been transferred to East India Investment Co. Pvt. Ltd.

ANNEXURE TO DIRECTORS' REPORT (Contd.)
iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mazbat Properties Private Limited	39600	0.05	01.04.2018				
				25.09.2018	-39600	Amalgamation	0	0.00
		0	0.00	31.03.2019			0	0.00
2	Mazbat Investments Private Limited	30412	0.04	01.04.2018				
				25.09.2018	-30412	Amalgamation	0	0.00
		0.00	0.00	31.03.2019			0	0.00
3	Varunendra Trading and Agents Pvt. Ltd.	280	0.00	01.04.2018				
				25.09.2018	-280	Amalgamation	0	0.00
		0	0.00	31.03.2019			0	0.00
4	East India Investment Company Pvt Ltd.	3183	0.00	01.04.2018				
				25.09.2018	70292	Amalgamation	73475	0.10
		73475	0.10	31.03.2019			73475	0.10

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Reliance Capital Trustee Company Limited	4162918	5.41	01.04.2018				
				06.04.2018	-6000	Transfer	4156918	5.40
				27.04.2018	-575000	Transfer	3581918	4.65
				04.05.2018	575000	Transfer	4156918	5.40
				11.05.2018	-63000	Transfer	4093918	5.32
				18.05.2018	-1890782	Transfer	2203136	2.86
				25.05.2018	1890782	Transfer	4093918	5.32
				15.06.2018	59913	Transfer	4153831	5.39
				22.06.2018	29072	Transfer	4182903	5.43
				30.06.2018	4319	Transfer	4187222	5.44
				06.07.2018	113500	Transfer	4300722	5.58
				13.07.2018	50000	Transfer	4350722	5.65
				20.07.2018	47934	Transfer	4398656	5.71
				27.07.2018	200116	Transfer	4598772	5.97
				03.08.2018	49283	Transfer	4648055	6.04

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				10.08.2018	70717	Transfer	4718772	6.13
				17.08.2018	25000	Transfer	4743772	6.16
				31.08.2018	25000	Transfer	4768772	6.19
				07.09.2018	25000	Transfer	4793772	6.23
				14.09.2018	-50000	Transfer	4743772	6.16
				21.09.2018	53212	Transfer	4796984	6.23
				30.09.2018	91393	Transfer	4888377	6.35
				05.10.2018	38686	Transfer	4927063	6.40
				12.10.2018	81314	Transfer	5008377	6.50
				19.10.2018	118017	Transfer	5126394	6.66
				23.11.2018	9867	Transfer	5136261	6.67
				30.11.2018	6991	Transfer	5143252	6.68
				07.12.2018	243153	Transfer	5386405	6.99
				15.03.2019	29300	Transfer	5415705	7.03
		5415705	7.03	31.03.2019			5415705	7.03
2	Life Insurance Corporation of India	2708172	3.52	01.04.2018		No movement during the year		
		2708172		31.03.2019			2708172	3.52
3	L and T Mutual Fund Trustee Ltd.	1501973	1.95	01.04.2018				
				11.05.2018	-4880	Transfer	1497093	1.94
				25.05.2018	131894	Transfer	1628987	2.12
				01.06.2018	203900	Transfer	1832887	2.38
				08.06.2018	56090	Transfer	1888977	2.45
				30.06.2018	368386	Transfer	2257363	2.93
				07.12.2018	-238000	Transfer	2019363	2.62
				01.03.2019	-68788	Transfer	1950575	2.53
				08.03.2019	-183506	Transfer	1767069	2.29
				15.03.2019	-121067	Transfer	1646002	2.14
				22.03.2019	-8086	Transfer	1637916	2.13
				31.03.2019	-3821	Transfer	1634095	2.12
		1634095	2.12	31.03.2019			1634095	2.12
4	G K Trading Pvt. Ltd.	512386	0.67	01.04.2018				
				27.04.2018	-3000	Transfer	509386	0.66
				04.05.2018	-3000	Transfer	506386	0.66
				11.05.2018	-3000	Transfer	503386	0.65
				18.05.2018	-15840	Transfer	487546	0.63

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				01.06.2018	5958	Transfer	493504	0.64
				13.07.2018	-13000	Transfer	480504	0.62
				24.08.2018	3456	Transfer	483960	0.63
				14.09.2018	-1549	Transfer	482411	0.63
				30.09.2018	-47000	Transfer	435411	0.57
				05.10.2018	-55000	Transfer	380411	0.49
				12.10.2018	-57935	Transfer	322476	0.42
				31.12.2018	220	Transfer	322696	0.42
				11.01.2019	-9000	Transfer	313696	0.41
				18.01.2019	-6910	Transfer	306786	0.40
				25.01.2019	-22800	Transfer	283986	0.37
				08.02.2019	-42000	Transfer	241986	0.31
				01.03.2019	-17634	Transfer	224352	0.29
				31.03.2019	8162	Transfer	232514	0.30
		232514	0.30	31.03.2019		Transfer	232514	0.30
5	Brijmohan Sagarmal Capital Services Private Ltd.	525500	0.68	01.04.2018				
				22.06.2018	165000	Transfer	690500	0.90
				20.07.2018	-40500	Transfer	650000	0.84
				27.07.2018	-139500	Transfer	510500	0.66
				21.09.2018	172000	Transfer	682500	0.89
				30.09.2018	-142000	Transfer	540500	0.70
				05.10.2018	-5000	Transfer	535500	0.70
				21.12.2018	143000	Transfer	678500	0.88
				31.12.2018	-93000	Transfer	585500	0.76
				18.01.2019	-60000	Transfer	525500	0.68
				25.01.2019	-15000	Transfer	510500	0.66
				08.03.2019	72300	Transfer	582800	0.76
				15.03.2019	-700	Transfer	582100	0.76
				31.03.2019	7400	Transfer	589500	0.77
		589500	0.77	31.03.2019			589500	0.77
6	Birla Education Trust	650961	0.85	01.04.2018		No movement during the year	650961	0.85
		650961	0.85	31.03.2019			650961	0.85
7	Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd.	732216	0.95	01.04.2018				
				06.04.2018	1285	Transfer	733501	0.95

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				13.04.2018	2566	Transfer	736067	0.96
				20.04.2018	-6444	Transfer	729623	0.95
				27.04.2018	-5925	Transfer	723698	0.94
				18.05.2018	-332	Transfer	723366	0.94
				25.05.2018	-4242	Transfer	719124	0.93
				01.06.2018	-1663	Transfer	717461	0.93
				30.06.2018	-6936	Transfer	710525	0.92
				06.07.2018	-5895	Transfer	704630	0.92
				13.07.2018	-23884	Transfer	680746	0.88
				27.07.2018	-4857	Transfer	675889	0.88
				03.08.2018	-2863	Transfer	673026	0.87
				10.08.2018	-745	Transfer	672281	0.87
				17.08.2018	-3336	Transfer	668945	0.87
				24.08.2018	-6136	Transfer	662809	0.86
				07.09.2018	-3191	Transfer	659618	0.86
				14.09.2018	-7430	Transfer	652188	0.85
				21.09.2018	-7100	Transfer	645088	0.84
				30.09.2018	-5191	Transfer	639897	0.83
				05.10.2018	-1141	Transfer	638756	0.83
				12.10.2018	19	Transfer	638775	0.83
				19.10.2018	-5482	Transfer	633293	0.82
				26.10.2018	-1799	Transfer	631494	0.82
				02.11.2018	-8189	Transfer	623305	0.81
				16.11.2018	251	Transfer	623556	0.81
				23.11.2018	-1005	Transfer	622551	0.81
				07.12.2018	-2168	Transfer	620383	0.81
				14.12.2018	-368	Transfer	620015	0.81
				21.12.2018	-901	Transfer	619114	0.80
				04.01.2019	-5665	Transfer	613449	0.80
				11.01.2019	108	Transfer	613557	0.80
				01.02.2019	-960	Transfer	612597	0.80
				08.02.2019	125	Transfer	612722	0.80
				15.02.2019	-1696	Transfer	611026	0.79
				22.02.2019	-3239	Transfer	607787	0.79
				01.03.2019	727	Transfer	608514	0.79

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				08.03.2019	11191	Transfer	619705	0.80
				15.03.2019	211722	Transfer	831427	1.08
				22.03.2019	3500	Transfer	834927	1.08
				31.03.2019	-2156	Transfer	832771	1.08
		832771	1.08	31.03.2019		Transfer	832771	1.08
8	Aditya Birla Sun Life Trustee Private Limited	577000	0.75	01.04.2018				
				30.06.2018	-30000	Transfer	547000	0.71
				30.09.2018	-15883	Transfer	531117	0.69
				05.10.2018	-30000	Transfer	501117	0.65
		501117	0.65	31.03.2019			501117	0.65
9	Motilal Oswal Focused Growth Opportunities Fund	555500	0.72	01.04.2018		No movement during the year	555500	0.72
		555500	0.72	31.03.2019			555500	0.72
10	Rams Equities Portfolio Fund-	515535	0.67	01.04.2018				
				18.05.2018	-50535	Transfer	465000	0.60
				01.06.2018	-165000	Transfer	300000	0.39
		300000	0.39	31.03.2019			300000	0.39
11	Motilal Oswal Focused Multicap Opportunities Fund	492696	0.64	01.04.2018				
				20.07.2018	8240	Transfer	500936	0.65
				07.09.2018	7800	Transfer	508736	0.66
		508736	0.66	31.03.2019			508736	0.66
12	Motilal Gopilal Oswal	476000	0.62	01.04.2018		No movement during the year	476000	0.62
		476000	0.62	31.03.2019			476000	0.62
13	Raamdeo Ramgopal Agrawal	476000	0.62	01.04.2018		No movement during the year	476000	0.62
		476000	0.62	31.03.2019			476000	0.62

Note : PAN-wise consolidated shareholding taken.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A.	DIRECTORS :				
1	Shri Harsh V. Lodha * As on 01.04.2018 & 31.03.2019	1260	0.00	1260	0.00
2	Shri Pracheta Majumdar * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
3	Shri Vikram Swarup * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
4	Shri Anand Bordia * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
5	Shri Brij Behari Tandon * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
6	Shri Dhruba Narayan Ghosh * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
7	Dr. Deepak Nayyar * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
8	Smt. Shailaja Chandra* As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
9	Shri Dilip Ganesh Karnik As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
10	Shri Bachh Raj Nahar * As on 01.04.2018 & 31.03.2019	500	0.00	500	0.00
B.	KEY MANAGERIAL PERSONNEL (KMP):				
11	Shri Aditya Saraogi As on 01.04.2018 & 31.03.2019	100	0.00	100	0.00
12	Shri Girish Sharma As on 01.04.2018 & 31.03.2019	0	0.00	0	0.00

* Shares held jointly with other Shareholder.

V. INDEBTEDNESS:

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount as on 31.03.2018	185,606.54	2,930.67	-	188,537.21
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due as on 31.03.2018	2,884.41	0.90	-	2,885.31
TOTAL (i+ii+iii)	188,490.95	2,931.57	-	191,422.52
Change in Indebtedness during the financial year				
Addition	60,352.34	2,000.00	-	62,352.34
Reduction	63,996.69	4,094.49	-	68,091.18
Exchange Difference	-3,794.89	1.57	-	-3,793.32
Net Change	150.54	-2,096.06	-	-1,945.52
Indebtedness at the end of the financial year				
i) Principal Amount as on 31.03.2019	185,757.08	834.61	-	186,591.69
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due as on 31.03.2019	2,813.92	1.81	-	2,815.73
TOTAL (i+ii+iii)	188,571.00	836.42	-	189,407.42

Note : Loan & Interest in Foreign currency is considered at Closing Rate for respective year.

VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (AS PER THE PROVISIONS OF THE INCOME TAX ACT) :

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri Bachh Raj Nahar (Managing Director)	Shri Pracheta Majumdar (Whole-time Director designated as Chief Management Advisor)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	338.13	104.25	442.38
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	20.91	1.10	22.01
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others (Performance Linked Bonus)	60.00	65.00	125.00
	Total (A)	419.04	170.35	589.39
	Ceiling as per the Act	10% of the Net Profits of the Company as per Section 198 of the Companies Act, 2013.		

ANNEXURE TO DIRECTORS' REPORT (Contd.)
B. Remuneration to other directors
1. Independent Directors :

(₹ in Lakhs)

Particulars of Remuneration	Name of Directors						Total Amount
	Shri Vikram Swarup	Shri Anand Bordia	Shri Brij Behari Tandon	Shri Dhruba Narayan Ghosh	Dr. Deepak Nayyar	Smt. Shailaja Chandra	
Fee for attending Board/Committee meetings	14.00	12.50	13.00	7.50	11.50	7.00	65.50
Commission	–	–	–	–	–	–	–
Others, please specify	–	–	–	–	–	–	–
Total (B)(1)	14.00	12.50	13.00	7.50	11.50	7.00	65.50

2. Other Non-Executive Directors :

(₹ in Lakhs)

Particulars of Remuneration	Name of Directors		Total Amount
	Shri Harsh V. Lodha	Shri Dilip Ganesh Karnik	
Fee for attending Board Committee Meetings	7.50	4.00	11.50
Commission	–	–	–
Others, please specify	–	–	–
Total B(2)	7.50	4.00	11.50
Total (B) = (B1) + (B2)			₹ 77.00 Lakh
Total Managerial Remuneration			₹ 666.39 Lakh
Overall Ceiling as per the Act	11% of the Net Profits of the Company as per Section 198 of the Companies Act, 2013.		

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shri Aditya Saraogi (Chief Financial Officer)	Shri Girish Sharma (Company Secretary)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	98.79	46.40	145.19
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.25	1.46	1.71
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit			
	others, specify...			
5	Others (Performance Linked Bonus)	20.00	10.00	30.00
	Total	119.04	57.86	176.90

ANNEXURE TO DIRECTORS' REPORT (Contd.)
VII. DETAILS OF PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,
Dated, the 3rd day of May, 2019

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'C'

The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, in the manner as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014

	Cement	Jute	Steel Foundry
A. Conservation of Energy			
i) a) Energy Conservation measures taken	<p>Chanderia</p> <ol style="list-style-type: none"> 1. Separate BDCs for venting of cement silo 1 & 4 have been installed 2. Replacement of existing roots blowers with high speed turbo blowers for coal firing. 3. Replacement of ESP fan motor from 525 KW/1000 RPM to 450 KW/600RPM. 4. Reduction in thermal energy consumption in CCW-1 & CCW-2 Kilns by optimization of raw mix and process and reduction of false air. 5. Process optimization in Raw mill section by reduction in breakdown, idle time etc. 6. Process optimization in cement mill section by reduction in breakdown, idle time etc. 7. Arresting false air entry and proper control of process flue gas in WHRS system. 8. Process modification and Raw mix optimization in BCW & CCW to increase fly ash consumption in cement. 9. Replacement of conventional light with high efficiency LED light fittings. <p>Satna</p> <ol style="list-style-type: none"> 1. Replacement of old conventional light with high efficiency LED Lights. 2. Installation of Air cooled condenser at 27 MW CPP. 3. Replacement of old cooling tower with new efficient cooling tower at WHRS, BVC. <p>Durgapur</p> <ol style="list-style-type: none"> 1. Installation of VVVF MV drive for 530 KW Bag house Fan of Roll Press. 2. Power saving by running 1 blower at cement silo-6 top and slag silo top instead of running 2 blowers. 3. Power saving by running 1 airslide blower at discharge of slag silo feeding elevator. 4. Reducing pressure of compressor used for wagon tippler equipment cleaning from 6 bar to 3.5 bar. 5. Reducing pressure of compressor used for Flyash Unloading system. <p>Raebareli</p> <ol style="list-style-type: none"> 1. Installation of VFD in bag filter fan of Cement mill no-1. 2. Shifting and installation all site installed VFDs in centralized AC room. 3. Replacement of balance conventional light fittings of by LED light fittings. 4. Fine tuning of BDCs purging time. 	<p>Installed condensate recovery system which fulfill the steam requirement by running boiler in 2 shift instead of 3 shift</p> <p>Replacement of 16 nos reciprocating compressors total 212.5 HP with 6 nos screw type compressors of total 135 HP. Old CFL, halogen lamps replaced with energy efficient LED lights.</p> <p>Replacement of 40 nos old motors with new energy efficient IE3 motors at spinning and drawing frames.</p> <p>Installed Shunt capacitor on victor looms which improved power factors.</p>	<p>The conservation of energy is a continuous exercise. Trend of energy consumption is regularly monitored and remedial measures are initiated to improve energy efficiency.</p> <p>Control of metal heating process temperature to optimize energy requirement.</p> <p>Efficiency improvement in cooling system leads to reduce energy consumption.</p> <p>Optimize air requirement to improve efficiency of compressor.</p>

ANNEXURE TO DIRECTORS' REPORT (Contd.)

	Cement	Jute	Steel Foundry
b) Impact on conservation of Energy	Chandaria <ol style="list-style-type: none"> 1. By proper ventilation reduce power consumption of D-pump for cement transport. 2. Energy efficient turbo blower reduce power consumption in kiln firing. 3. By replacement of ESP Fan motor, power of ESP fan reduced and achieved power saving of about 180 KW. 4. Optimizing process & raw mixrReduction in thermal energy consumption in CCW & NCCW Kiln. 5. By reduction in breakdown and idle time resulted in Reduction of power consumption in Kwh/T in raw mill grinding. 6. By reduction in breakdown and idle time resulted in Reduction of power consumption in Kwh/T in cement grinding. 7. Reduction in false air entry increases in WHRS power generation. 8. By various inhouse modification and raw mix optimization, fly ash consumption increase in cement in both BCW & CCW cement mill. 9. Replacement of conventional light fittings with energy efficient LED lights in CCW and resulted into savings in power consumption. 10. Power factor of CCW and BCW maintaining above 0.99, and availed substantial amount of rebate on electricity bill on account of optimum power factor. 11. By maintaining Electricity Board Maximum Demand within the limit, CCW availed rebate on electricity bill. Satna <ol style="list-style-type: none"> 1. Savings in lighting power and also reduces maintenance cost. 2. Reduction in substantial water consumption and reduction in auxiliary power consumption. 3. Reduction in water consumption and reduction in auxiliary power consumption. Durgapur <ol style="list-style-type: none"> 1. Saving of power 20kwh after installing the VFD instead of conventional slip ring motor. 2. Saving of power consumption by 20 KW due to blowers and compressors optimization. Raebareli <ol style="list-style-type: none"> 1. Saving in power consumption of 20 Kw of Fan power. 2. Performance and availability of VFDs increased resulted into saving in power consumption. 3. Savings in lighting power substantially and also reduce maintenance cost. 4. Savings in power consumption 0.5 Kwh/T in compressors. 	Reduction in power consumption and increase power factor.	—
ii) Steps in utilisation of alternate sources of Energy	<ol style="list-style-type: none"> 1. AFR used in kiln in both Satna & Chandaria Plant which includes Carbon Black, Waste mix solids,ETP sluge,Mustard husk,TDI Tar, Industrial waste, Non hazardous waste, liquid waste etc. 2. WHRS system is operating in both Satna & Chandaria Unit for power generation from waste flue gas. 3. Sourcing renewable energy from solar power plant at Satna. 	—	—
iii) Capital investment on energy conservation equipments	₹ 188.24 lakh	₹ 138.04 lakh	—

ANNEXURE TO DIRECTORS' REPORT (Contd.)

	Cement	Jute	Steel Foundry
B. Technology Absorption			
Research & Development			
1) Specification of Technology absorption and/or R&D	<ol style="list-style-type: none"> 1 Replacement of existing Packer with latest generation packer CCW. 2 Installation of vacuum type fly ash collection system at NTPC Unchahar ESP Field. 3 Replacement of existing root blower with high speed turbo blower for coal firing at CCW. 4 Installation of CBA for limestone quality control at Chanderia & Satna. 5 Installation of Shredder machine for using of Plastic waste in AFR feeding system. 6 Installation of SNCR system to reduce Nox in pyro system BVC & SCW. 7 Installation of low Nox energy efficient pyro-jet burner in kiln firing system in BVC & SCW. 8 Installation of air cooled condenser in place of conventional water cooled condenser in 27 MW CPP at Satna. 	<p>Elimination of one side waste selvage of dornier looms resulted reduction of thread wastage.</p> <p>Improved emulsion procedure by providing separate mixing tank for stable emulsion with reduced particle size of emulsion droplet resulted better penetration of emulsion due to small particle size and also reduced time in preparation of emulsion.</p>	—
2) Benefit	<ol style="list-style-type: none"> 1 Installation of new packers will lead to high efficiency cement packing and less nozzle downtime. 2 Increase fly ash collection at NTPC Unchahar. 3 Quality control of limestone stockpile resulting in better clinker quality. 4 Installation of shredder machine will enable us to use plastic waste in AFR system which will lead reduction in manufacturing cost. 5 Reduction in Nox level in pyro section. 6 Reduction in water & Auxiliary power consumption. 7 Installation of Automatic Truck Loaders will increase in cement bags loading efficiency. 	Conservation of Energy	Conservation of Energy

C. Foreign Exchange Earning & Outgo

- Total Foreign Exchange used - ₹ 6605.34 Lakh
- Total Foreign Exchange earned (including export in Indian Currency) - ₹ 3132.80 Lakh

Note : Excludes borrowings and repayments in Foreign Currency.

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,

Dated, the 3rd day of May, 2019

ANNEXURE TO DIRECTORS' REPORT (Contd.)
ANNEXURE – 'D'
REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. A brief outline of the Company's CSR Policy including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes :

As per the provisions of the Companies Act, 2013 and rules framed thereunder, the Company has formulated its CSR policy to contribute to economic development in different ways to ensure the economically disadvantaged section of society is benefited. The CSR initiatives are steered by the guiding principle of sensitivity to the needs of the people, enhancing the quality of their lives and protection of the environment.

The Company's CSR Programs are particularly in the areas of Education, Healthcare, Water, Infrastructure and Enhancement of livelihood of Rural Poor. While planning the CSR activities the need of people are taken into account and people living around the places where our manufacturing operations are carried out, are consulted. Greater emphasis is laid on activities for Preventive healthcare, Education of poor children, Water Facility, Rural Infrastructure development, Cleanliness and enhancing the income of the poor people. The Company has undertaken the CSR activities directly through our staff with support from reputed NGO and also through Madhav Prasad Priyamvada Birla Apex Charitable Trust. The Company's CSR policy is placed on its website and the web-link for the same is <https://www.birlacorporation.com/investors/policies/csr-policy.pdf>.

2. The composition of the CSR Committee is as under :-

Shri Harsh V. Lodha	Chairman
Shri Vikram Swarup	Director
Shri Brij Behari Tandon	Director
Shri Dhruba Narayan Ghosh	Director

3. Average net profits of the Company for the last three financial years :

2017-18, 2016-17 and 2015-16 is ₹ 170.61 Crores

4. The prescribed CSR expenditure at 2% is ₹ 3.41 Crores
5. Details of CSR activities/projects undertaken during the year :

- Total amount to be spent for the Financial Year 2018 – 19 : ₹ 3.41 Crores
- Amount unspent, if any : Nil
- Manner in which the amount spent during the Financial Year 2018 – 19 is detailed below :-

Sl. No	CSR Projects/ activity identified	Sector in which the project is covered	Projects/ programs 1. Local area/others- 2. Specify the State/ district (Name of the District/s, State/s where project/ programs was undertaken	Amount outlay (budget) project/ programs-wise	Amount spent on the project/ programs Sub-heads: 1. Direct expenditure on project / Programs, 2. Overheads:	Cumulative spend up to the reporting period i.e. 2018 – 19	Amount spent: Direct/ through implementing agency
1	2	3	4	5	6	7	8
				₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	
I	Contribution to multi-speciality Hospital	Health care	Chandaria in Rajasthan	170.00	170.00	170.00	Through implementing agency i.e. Madhav Prasad Priyamvada Birla Apex Charitable Trust

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No	CSR Projects/ activity identified	Sector in which the project is covered	Projects/ programs 1. Local area/others- 2. Specify the State/ district (Name of the District/s, State/s where project/ programs was undertaken	Amount outlay (budget) project/ programs-wise	Amount spent on the project/ programs Sub-heads: 1. Direct expenditure on project / Programs, 2. Overheads:	Cumulative spend up to the reporting period i.e. 2018 – 19	Amount spent: Direct/ through implementing agency
1	2	3	4	5	6	7	8
				₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	
II	Making available safe drinking water, Eye check-up camps and surgery, Preventive health check-up camps, toilet construction etc.	Health care / Hygiene	Satna in MP Chandaria in Rajasthan Durgapur in WB Raebareli in UP.	59.49	59.48	59.48	Direct
III	Promoting education and Assistance for Schools	Education	Satna in MP Chandaria in Rajasthan Durgapur in WB Raebareli in UP.	57.48	56.49	56.49	Direct
IV	Vocational training for Women Empowerment & setting up of old age home	Women Empowerment & old age home	Satna in MP, Chandaria in Rajasthan, Durgapur in WB, Raebareli in UP	14.73	17.88	17.88	Direct
V	Animal husbandry activities, Advanced agricultural training, Environment sustainability	Environmental sustainability and Agricultural training	Satna in MP Chandaria in Rajasthan Durgapur in WB Raebareli in UP.	15.30	13.76	13.76	Direct
VI	Promotion of rural sports, Cultural Initiatives, District Administration work	Promotion of rural sports and Cultural Initiatives	Satna in MP Chandaria in Rajasthan Durgapur in WB Raebareli in UP.	15.32	14.08	14.08	Direct
VII	Rural Development Projects	Rural Development	Satna in MP Chandaria in Rajasthan Durgapur in WB	17.68	15.21	15.21	Direct
TOTAL				350.00	346.90	346.90	

6. **In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount:** Not Applicable
7. **A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:** The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Kolkata,
Dated, the 3rd day of May, 2019

Harsh V. Lodha
Chairman of the CSR Committee
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

ANNEXURE TO DIRECTORS' REPORT (Contd.)
ANNEXURE – 'E'
DETAILS PERTAINING TO REMUNERATION 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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2018-19 (₹ in lakh)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/to median remuneration of employees *
01.	Shri Bachh Raj Nahar Managing Director	432.51	6.36%	201:1
02.	Shri Pracheta Majumdar Wholetime Director designated as Chief Management Advisor	170.69	40.08%	79:1
03.	Shri Aditya Saraogi Chief Financial Officer	128.98	(3.51)%	N.A.
04.	Shri Girish Sharma Jt. President (Indirect Taxes) & Company Secretary	61.21	3.63%	N.A.

Note : No Director other than the Managing Director and Wholetime Director receives any remuneration other than sitting fees during the financial year 2018-19.

*The median remuneration of employees of the Company during the financial year was ₹ 2.15 lakh.

- ii) There was an increase of 4.37% in the median remuneration of employees during the financial year 2018-19.
- iii) There were 5,776 permanent employees on the rolls of Company as on March 31, 2019.
- iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2018-19 was 3.06% whereas the increase in the managerial remuneration for the same financial year was 10.00%.

Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel depends upon the factors like industry standards, individual performance etc. during the year.

- v) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2019 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Kolkata,
Dated, the 3rd day of May, 2019

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

ANNEXURE TO DIRECTORS' REPORT (Contd.)**ANNEXURE – 'F'****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2019**

[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
Birla Corporation Limited
Birla Building
9/1, R N Mukherjee Road
Kolkata 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Birla Corporation Limited (hereinafter called the Company), bearing CIN: L01132WB1919PLC003334. The 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 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 March 2019, to the extent applicable, 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 there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:
 - (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;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

ANNEXURE TO DIRECTORS' REPORT (Contd.)

vi. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Cement/Jute division of the Company:

- (a) Mineral Conservation and Development Rules, 1988
- (b) The Mines and Minerals (Development and Regulation) Act, 1957
- (c) The Environment (Protection) Act, 1986
- (d) Explosives Rules, 2008
- (e) Ammonium Nitrate Rules, 2012
- (f) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987
- (g) The Jute Manufactures Cess Act, 1983
- (h) The National Jute Board Act, 2008

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice had been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.

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.

For **Mamta Binani & Associates**

Madhuri Pandey

Partner

ACS No.: 55836

CP No.: 20723

Place : Kolkata

Date : 03.05.2019

BUSINESS RESPONSIBILITY REPORT 2018-19

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2019, pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Business Responsibility Report is a testament to our accountability towards creating enduring value for all stakeholders in a responsible manner. In line with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report summarises our efforts to conduct business with responsibility.

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L01132WB1919PLC003334			
2	Name of the Company	Birla Corporation Limited			
3	Registered address	9/1, R N Mukherjee Road, Birla Building, Kolkata -700001			
4	Website	www.birlacorporation.com			
5	E-mail id	coordinator@birlacorp.com			
6	Financial Year reported	2018-19			
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Details of major products			
		Group	Class	Sub Class	Description
		239	2394	23941 23942	Manufacturing of Clinker and Cement
		131	1313	13135	Manufacturing of Jute
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	(i) The Company manufactures cement of various kinds viz. Ordinary Portland Cement, Portland Pozzolana Cement and Portland Slag Cement. (ii) The Company also manufactures Jute goods.			
9	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations (Provide details of major 5)- Nil (b) Number of National Locations : 2 integrated cements units, 3 grinding units, 1 blending unit, 1 Jute mill, 1 steel foundry unit, Registered Office and Corporate Office & Regional Sales Offices in various states.			
10	Markets served by the Company – Local/State/ National/International	Local/State/National/International			
		Local	State	National	International
		Yes	Yes	Yes	Yes

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 77.01 crores
2	Total Turnover (INR)	₹ 4361.95 crores
3	Total profit after taxes (INR)	₹ 137.78 crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year, an amount of ₹ 346.90 Lakhs was spent on CSR activities. This represents more than 2% of average net profit for three financial year immediately preceding the financial year 2018-19.

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

5	List of activities in which expenditure in 4 above has been incurred:-	1. Health Care and Sanitation 2. Education 3. Water 4. Women Empowerment and Livelihood 5. Environment Sustainability and Agriculture Training 6. Promotion of rural sports and Cultural Initiatives 7. Rural Development
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SECTION C: OTHER DETAILS
1. Does the Company have any Subsidiary Company/ Companies?

Yes, as on 31st March, 2019, the Company has 7 (Seven) Subsidiary Companies, viz. RCCPL Private Limited (formerly known as Reliance Cement Company Private Limited), Lok Cement Limited, Talavadi Cements Limited, Birla Jute Supply Company Limited, Budge Budge Floorcoverings Limited, Birla Cement (Assam) Ltd. and M.P. Birla Group Services Pvt. Ltd.

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)

The Business Responsibility initiatives of the Company apply to its subsidiaries.

3. 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 viz. suppliers, distributors etc. with whom the Company does business, do not participate in the Business Responsibility initiatives of the Company.

SECTION D: BR INFORMATION
1. Details of Director/Directors responsible for BR
a) Details of the Director/Directors responsible for implementation of the BR policy/ policies

1	DIN Number	:	00049895
2	Name	:	Shri Bachh Raj Nahar
3	Designation	:	Managing Director

b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00049895
2	Name	Shri Bachh Raj Nahar
3	Designation	Managing Director
4	Telephone Number	033 66033379
5	Email ID	brnabar@birlacorp.com

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)
2. Principle-wise (as per NVGs) BR Policy/policies
a) Details of compliance (Reply in Y/N)

The Nine principles as per BRR are as given below :-

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 marginalised.
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.

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4	Has the policy being 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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Copies of the policy will be made available on receipt of written request from stakeholders.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.								
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?	The Company is working on developing and improving its system for evaluating the implementation of the policies. The policies are evaluated from time to time and updated whenever required.								

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	Not Applicable								
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 to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

BR performance of the Company is assessed annually.

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

The Company prepares Business Responsibility Report annually and the same is also placed on the website of the Company at www.birlacorporation.com.

SECTION E : PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **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, Transparency and Accountability is the backbone of our Company and guides the operations of the Company alone. The Policy includes Code of Conduct which applies to the Directors and the Senior Management of the Company. A Whistle Blower Policy/Vigil Mechanism is also in place, which provides opportunity to all stakeholders to report any concerns/issues/incidents about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policies.

2. **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.**

During the financial year 2018-19, the Company has received 4 (Four) complaints from the shareholders relating to non-receipt of Dividend Warrant which were resolved by the management.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

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

The Company has been focussing on developing products that are environment friendly, utilising waste by product from other industries, reducing carbon footprint and more energy efficient. Our major product range is blended cements which include Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC). The Company is replacing fossil fuel with agricultural waste and industrial waste to the extent of availability.

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company is committed to Environment protection, climate change and taking lot of initiatives to reduce carbon footprint. As a part of promoting renewal energy, we have installed WHRS (Waste Heat Recovery System) at Satna and Chanderia units and Solar Power Plant. We are always promoting energy efficient technology to ensure lower energy consumption. The Company, as a part of drive to conserve natural resources and to reduce energy consumption, consumes industrial waste by-products like fly ash, steel slag in the cement manufacturing process, which reduces greenhouse gas emission. Company also promotes solar power and planning to install solar power plants at different factories. For further details please refer to Annexure – 'C' to the Director's Report covering *inter-alia*, details of Conservation of Energy.

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

The Company's products are used by variety of consumers and it is neither feasible to measure reduction in the usage (energy, water) nor available with us. However at plant level we are taking following actions to reduce energy and water:

1. Use of alternative fuel for thermal substitution by using FMCG, Polyresidue Plastic ETP Sludge, Industrial waste and agricultural waste and replacing fossil fuel.
2. For water conservation, we collect rain water in our mined out area which is being used for plant and colony throughout the year. Also we have installed Air Cooled Condenser (ACC) at 27 MW CPP at both plant Chanderia and Satna. Which saves 90% water required for running condenser of Captive Power plant.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The company's main raw material, is procured mostly through its own mines, situated close to plants. These are transported through long belt conveyors/ropeway. Most of the Company's inward bulk materials are sourced from nearby areas in a sustainable manner.

The Company has its own slag processing (granulation) plant near to steel plant and procure fly ash and slag from nearby areas as much as possible. The Company is also planning to source fly ash through rail wagon for most sustainable sourcing.

The Company has started increasing the use of Alternate Fuel (bio mass, plastic wastes, co-processed industrial waste) to replace part of fossil fuel, in a sustainable manner.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The company encourages local vendors to supply its regular needs. The Company has trained and developed local contractors to meet its repair and maintenance needs as much as possible. These contractors employ workmen mostly from local villages.

5. 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.

Cement manufacturing process does not generate any by-product / waste as such. Fly ash generated in the captive power plants is used in the cement manufacturing process itself. The company utilises wastes of other industries like steel plants, power plants and other chemical plants as additives in cement manufacture and thus contributes to sustainable development.

PRINCIPLE 3 : BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the Total number of employees.

The total number of employees is 5,776 as on 31st March, 2019.

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

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

Total temporary/Contractual/Casual employees were 7,118 as on 31st March, 2019 out of which 279 comprises of Trainees and Apprentices.

3. Please indicate the Number of permanent women employees.

There were 39 permanent women employees as on 31st March, 2019.

4. Please indicate the Number of permanent employees with disabilities

There were 3 (three) permanent employees with disabilities as on 31st March, 2019.

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

Yes

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

37.08%.

7. 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.

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	The Company does not employ such labour	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

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

	Safety and skill up-gradation training
(a) Permanent Employees	68.42%
(b) Permanent Women Employees	23.08%
(c) Casual/temporary/Contractual Employees	30.71%
(d) Employees with Disabilities	Nil

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. For Birla Corporation Limited, maintaining relationship with stakeholders is a business imperative. The business revolves around stakeholders, right from suppliers to customers, shareholders to communities, government to workforce and contractors.

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

The company has mapped disadvantaged, vulnerable and marginalised stakeholders viz. communities in and around the areas of its significant operations, and is actively working towards their inclusive growth as part of company's CSR efforts.

3. 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 runs initiatives in the areas of Health Care including preventive health care and sanitation, providing safe drinking water, education, skill development leading to creation of alternative employment, Infrastructure development and ensuring environmental sustainability through agro forestry, conservation of natural resources and maintaining quality of soil, air and water, all directed towards helping neighbouring communities, including disadvantaged, vulnerable and marginalised stakeholders and

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

being instrumental in cultivating their progress. To achieve the same, the Company has a well-established CSR policy which reflects the objective of economic and social development to create a positive impact.

PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

- 1. 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 relating to respecting and promoting human rights covers the Company only. The Company encourage its business partners and third parties with whom it conducts business to abide by this policy.

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

During the financial year 2018-19, the Company did not receive any complaint with regard to violation of human rights.

PRINCIPLE 6 : BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

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

The Policy relating to respecting, protecting and restoring the Environment covers the Company only.

- 2. 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.**

Climate change, global warming and environmental risks are serious challenges that the company is fully engaged with and started various initiatives. The company proactively takes measure to reduce carbon foot print by trying to maximise production of blended cement. The Company has special program for tree plantation in the mined out areas, waste land and plant premises. The hyperlink for the same is <http://www.birlacorporation.com/climatic.html>.

- 3. Does the company identify and assess potential environmental risks? Y/N**

Yes. The Company identifies and assesses potential environmental risks periodically across its plant operations and projects. Company has invested heavily to mitigate new Environment norms which came into effective from 1st September, 2018.

- 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?**

Currently no projects related to Clean Development Mechanism (CDM) have been taken up by the Company. However, the Company has already completed CDM project on Waste Heat Recovery based power generation at Satna and Chanderia units. It is continuously endeavouring to identify opportunities to contribute in this regard.

- 5. 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. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment. The Company has already installed waste heat recovery system, solar power system, to reduce carbon emission. In addition, the Company has installed system for feeding alternate fuel (bio mass, plastic waste, co-processed industrial and chemical wastes etc.). In the coming periods, it is proposed to increase alternate fuel consumption to reduce the dependence on fossil fuel. For further details please refer to Annexure- 'C' to the Director's Report covering *inter-alia*, details of Conservation of Energy.

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

Yes. The emissions/waste generated by the company are within the permissible limits for the financial year 2018-19.

- 7. 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.**

There are no show cause/ legal notices received from CPCB/SPCB which are pending as at end of the Financial Year 2018-19.

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

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 a Member of the following trade/ chamber associations:

- (a) Indian Chamber of Commerce.
- (b) Cement Manufacturer's Association.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company continuously advocates the use of eco-friendly mining practices, use of alternative fuels, increase use of fly-ash, installation of Waste Heat Recovery Plants in cement manufacturing units, energy conservation and construction of Concrete roads.

PRINCIPLE 8 : BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

The Company has a continuous CSR programme which create sustainable livelihoods, especially among the poor in rural places wherein the Company:

- 1) focus on skill development of people for alternate employment opportunity generation, particularly women empowerment including livelihood projects.
- 2) conduct Self Help Group training, meeting and development programme.
- 3) provide training to farmers and their family members in the project for Vermi-compost manufacturing and Construction of Vermi-compost pit.
- 4) conduct regular farmers meeting and train them towards advanced agriculture techniques so that they can use their land more effectively and increase their income.
- 5) provide assistance to villagers for making Tree based farming (WADI) for Sustainable Livelihood.
- 6) work for Livestock development in which the Company does AI (Artificial Insemination) with superior breed and provide livestock to villagers so that it increases their income by selling milk or selling goat or by way of poultry farming. The Company also provide mineral mixture to New Born Calf.
- 7) conduct vocational skill training for women empowerment such as mushroom cultivation, tank fishery, manufacturing of bags, florescent jacket and sanitary napkins. The Company also provides Computer Course, Beautician Course training.

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

Programme / Projects are undertaken through in house team as well as through external NGO.

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

Our team / Field staffs regularly visit the farmer's field and prepare the farm plots and time to time senior officials go to said villages and take feedback from beneficiaries. We also conduct Community Assessment to identify the need of local community.

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

The Company has spent ₹346.90 Lakhs as part of its CSR initiatives. Details of the projects are given in Annexure- 'D'- Report on CSR Activities forming part of Director's Report.

BUSINESS RESPONSIBILITY REPORT 2018-19 (Contd.)

5. 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. The Company has taken all possible steps to ensure that these programs are successfully adopted by the community. The Company arranges regular meetings of company officials with villagers to ensure their satisfaction. NGOs have created Self Help Group (SHG) and regularly keep meeting with them to explain benefits of the program. As a result of this, villager's mind-set have changed. Women groups come forward to showcase their products i.e. Bag & Jacket during Chittorgarh Fort festival at Gora Badal Stadium, Chittorgarh. During this, women got the opportunity to interact with different stakeholders which helped to build their confidence for promotion of enterprises and also sold their products. With the support of NGOs, the Company is encouraging women to establish the enterprises with the money received against sold products. The Company has also implemented monthly reporting system which contains progress and development report of all the ongoing programmes.

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.

The Company is firmly committed to providing world class products and services to customers, supported by capable and qualified manpower to provide pre- and after-sales services. The Company empathises with concerns of all its stakeholders, influencers and recommenders. A well-established mechanism is in place to deal with customer feedback and complaints. Customers can connect with the Company through multiple channels such as email, telephone, website, social media and feedback forms. It is a robust mechanism to appropriately address and resolve any type of complaint. At the end of the financial year, there were only a few unresolved newly reported complaints.

2. 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 and maintains high standards of communication and information dissemination to ensure full compliance with applicable regulations.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive 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.

There are no cases in relation to unfair trade practices, irresponsible advertising and/or violation of any laws during the financial year 2018-19.

4. Did your company carry out any consumer survey/ consumer satisfaction trends

The Company conducts a Consumer Satisfaction Survey once every two months to gauge consumer sentiments and expectations. The exercise enables the Company to take appropriate measures, often proactively, to increase customer satisfaction.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

Company's philosophy on Code of Governance is to achieve the highest levels of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the government. We believe that Corporate Governance is a voluntary and self discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to our stakeholders needs. Focus of the Company has always been to ensure continuing value creation for each of its stakeholders and above all to achieve business excellence with the goal of long-term sustainable development.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below.

2. BOARD OF DIRECTORS :

Board Composition :

The strength of the Board of Directors as on 31st March, 2019, is 10 (Ten). Of the 10 (Ten) Directors, 2 (Two) are Executive Directors and 8 (Eight) are Non-Executive Directors out of which 6 (six) are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

None of the Directors of the Company are Members of more than 10 (Ten) Committees (i.e. Audit Committee and Stakeholders Relationship Committee) nor Chairman of more than 5 (Five) such Committees (as specified in Regulation 26 of the Listing Regulations).

None of the Directors of the Company serves as an Independent Director in more than 7 (Seven) listed companies, nor any of the Whole-time Director serves as an Independent Director in more than 3 (Three) listed companies.

Directors' Profile :

The Board of Directors is composed of highly renowned professionals drawn from diverse fields, who bring with them a wide range of skill and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

Shri Harsh V. Lodha, Chairman of the Company, a Chartered Accountant, serves on the Board of several reputed companies and as Trustee and Managing Committee Member of many social and philanthropic organizations. He is the member of managing committee of Assocham and executive committee member of Indian Chamber of Commerce where he has also served as Vice President. He has served as member of the executive committee of FICCI and served as the Co-chairman of its Young Leaders Forum. He has served as member of the Accounting Standards Board of the Institute of Chartered Accountants of India.

Apart from handling audits of several large publicly quoted companies in India and other professional work, he has been involved in and handled several Advisory assignments in the fields of international takeovers and financing, domestic financing, project structuring, capital mobilisation, joint ventures/collaborations, mergers/ reconstructions and rehabilitation.

Shri Pracheta Majumdar, Wholetime Director designated as Chief Management Advisor, a former Managing Director of CEAT Tyres Ltd., is a Mechanical Engineer and a Management Advisor by profession. He has worked in the fields of design and project management of Chemicals, Petrochemical and Fertilizer Plants. He has worked with Hindustan Unilever Limited for about 12 years. Shri Majumdar attended various international management courses organized by Unilever and Executive Development Programmes and Advanced Management Programmes conducted by Stanford University and Harvard Business School.

Shri Vikram Swarup is the Managing Director of Paharpur Cooling Towers Limited. He is a Mechanical Engineer and is an acknowledged authority on thermal design of cooling towers in India. He has vast experience in Marketing, Engineering and other General Management functions. He is the Vice Chairman of Kalyan Bharti Trust which owns and operates The Heritage Group of Educational Institutions in Kolkata, Chairman of the School Management Committee of The Heritage School and Vice Chairman of the Board of Governors of the Heritage Institute of Technology. He is also on the Executive Committee of the Indo-Italian Chamber of Commerce & Industries.

Shri Anand Bordia, Member of the Indian Revenue Service, was First Secretary, Trade High Commission of India, London, and worked in the Secretariat of the World Customs Organization, Brussels, for seven years. He held various senior positions in the Central Government. He was a Member of

REPORT ON CORPORATE GOVERNANCE (Contd.)

Finance at the National Highways Authority of India. He undertook consultancy projects for the Harvard Institute for International Development, UNODC and Asian Development Bank.

Shri Brij Behari Tandon, Former Chief Election Commissioner of India, also served as a Member of the Delimitation Commission. He was Secretary, Ministry of Personnel, as well as Secretary, Mines to the Government of India. He served as Additional Secretary in the Department of Company Affairs and Cabinet Secretariat. He was the convener of the Working Group on Revision of the Companies Act, 1956. In the State Government of Himachal Pradesh, he served as Principal Secretary, Department of Industries and Power as well as Chairman of the H.P. State Electricity Board.

Shri Dhruba Narayan Ghosh was the former Secretary to the Govt. of India and a former Chairman of State Bank of India. He was the Founder Chairman of ICRA Ltd., the premier Rating Agency and former Chairman of Larsen & Toubro Ltd., Philips (India) Ltd. and the Management Development Institute, Gurgaon and Founder Chairman of the Indian Institute of Management, Lucknow.

Dr. Deepak Nayyar is an eminent economist and Emeritus Professor of Economics at Jawaharlal Nehru University. He has also taught at the University of Oxford, University of Sussex, IIM Calcutta and the New School of Social Research, New York. He was a Rhodes Scholar at Oxford and is Honorary Fellow, Balliol College, Oxford. He served as Chief Economic Advisor to the Government of India and Secretary, Ministry of Finance and was Vice Chancellor, University of Delhi. He has published 16 books and more than 75 papers in academic journals. Dr. Nayyar was an Independent Director on the Board of ICRA, SAIL and ONGC. He is currently serving on the Board of The Press Trust of India Limited.

Ms. Shailaja Chandra was a Member of the Indian Administrative Service (IAS) and a civil servant for 38 years who has distinguished herself in several roles including as Delhi's only woman Chief Secretary. Ms. Chandra also has additional 10 years of experience in Public Governance. Apart from 15 years of experience with the Central Government where Ms. Chandra held assignments in the Ministries of Defence, Power and Health, Ms. Chandra has worked in different parts of the country with the State Governments. She was Health Secretary in Delhi and joined the Government of India as Joint Secretary in the Ministry of Health & Family Welfare where she was promoted as Additional Secretary and later Secretary in the same Ministry. Ms. Chandra was Chairman,

Public Grievances Commission and Appellate Authority under the Delhi Right to Information Act and was the first Executive Director of the National Population Stabilisation Fund, Ministry of Health & Family Welfare, Government of India.

Shri Dilip Ganesh Karnik, Arbitrator and Legal Consultant, retired as a Judge of Bombay High Court in May 2012. He was elevated as Additional Judge of the Court in October 2001. A practicing advocate from 1972 to 2001, he was a Gold Medalist in Law from the University of Pune.

Shri Bachh Raj Nahar, Managing Director, is an eminent Chartered Accountant and has served in diverse fields at senior positions in large corporate houses. *Businessworld Magazine* has identified him as the Most Valuable CEO among India's midsize cement companies at its issue dated 29th November, 2010.

Directors' induction, familiarisation and training :

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility.

Directors are regularly briefed about the industry's specific issues to enable them to understand the business environment in which the company operates. To enhance their skills and knowledge, the Directors are regularly updated on the changes in the policies, laws and regulations, developments in the business environment etc. The Board members are provided necessary documents, reports and other presentations about the Company from time to time.

Efforts are also made to familiarise the Directors about their roles, rights, responsibility in the Company, its business model and the environment in which the Company operates.

The details of such familiarisation programmes have been placed in the website of the Company under the web link/url: <http://www.birlacorporation.com/directors-induction.html>

Meetings, attendance and agenda of the Board Meetings:

During the year 2018-19, 5 (Five) Meetings of the Board of Directors of the Company were held on 16th May, 2018, 7th August, 2018, 21st August, 2018, 30th October, 2018 and 5th February, 2019. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days.

All the agenda items are backed by necessary supporting

REPORT ON CORPORATE GOVERNANCE (Contd.)

information and documents to enable the Board to take informed decisions. The Chairman along with the Managing Director and/or the Chief Financial Officer, Executive Presidents of the Company makes presentation on the quarterly and annual operating and financial performance and on annual operating and capex budget. Presentations relating to major projects for which Board's approval are sought are also made. Post meetings, important decisions taken by the Board are communicated to the concerned officials and departments. The Board is also kept updated about the developments on various functional areas.

The composition and category of the Board of Directors, their relationship with other Directors, their attendance at the Board Meetings held during the year 2018-19 as well as at the last Annual General Meeting, number of Directorships and Committee Memberships/Chairmanships in other Companies, name of other listed companies in which the Director is a director and number of shares held by them as on 31st March, 2019 are as follows:

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM held on 20.07.2018 [@]	No. of shares held	No. of other Directorship [§]	Details of other Board Committee / Membership [#]		List of Directorship held in Other Listed Companies and Category of Directorship
						Member	Chairman	
Shri Harsh V. Lodha (Chairman)	Non-Independent, Non-Executive	5	P	1260*	7	–	–	1. Alfred Herbert (India) Ltd, (NED) 2. Birla Cable Ltd., (NED) 3. Universal Cables Ltd., (NED) 4. Vindhya Telelinks Ltd., (NED)
Shri Pracheta Majumdar (Whole time Director designated as Chief Management Advisor)	Executive	5	P	500*	1	1	–	1. Vindhya Telelinks Ltd., (NED)
Shri Vikram Swarup	Independent Non-Executive	5	P	500*	5	1	–	None
Shri Anand Bordia	Independent Non-Executive	5	A	500*	1	1	–	1. Roto Pumps Ltd., (ID)
Shri Brij Behari Tandon	Independent Non-Executive	5	A	500*	5	4	2	1. Oriental Carbon & Chemicals Ltd., (ID) 2. Jaiprakash Power Ventures Ltd., (ID) 3. Filatex India Ltd., (ID) 4. Duncan Engineering Ltd., (ID)

Shri Dhruva Narayan Ghosh	Independent Non-Executive	5	A	500*	1	–	–	None
Dr. Deepak Nayyar	Independent Non-Executive	4	A	500*	1	1	–	None
Ms. Shailaja Chandra	Independent Non-Executive	5	A	500*	4	2	–	1. JSW Energy Ltd., (ID) 2. Kerala Ayurveda Limited, (ID)
Shri Dilip Ganesh Karnik	Non-Independent Non-Executive	4	A	500	5	3	–	1. ICICI Prudential Life Insurance Co. Ltd., (NED) 2. Universal Cables Ltd., (NED) 3. Vindhya Telelinks Ltd., (NED)
Shri Bachh Raj Nahar (Managing Director)	Executive	5	P	500*	5	–	–	1. Universal Cables Ltd., (NED)

@ P= Present, A= Absent, NED= Non-Independent, Non-Executive Director, ID= Independent Non-Executive Director.

* Shares held jointly with other shareholder.

§ Excludes Alternate Directorships, Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

Only covers Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee of other Public Limited Companies.

None of the Directors are related to any other Director on the Board.

The requisite quorum was present at all the Board and Committee Meetings.

List of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

The Company requires key skills/ expertise/ competencies in the areas of business, government, academics, technology, human resources, social responsibilities, finance, law etc.

The Board of Directors has identified key skills/ expertise/ competencies such as understanding the Company's business, policies and culture, knowledge of the industry in which the Company operates, experience in planning, policy-making, risk management and financial affairs, strategic thinking & decision making, leadership, integrity and maintaining of confidentiality, managing relationships with the Board, Management Team, Regulators, Bankers, Industry representatives and other Stakeholders.

All the above required skills/expertise/competencies are available with the Board. The Directors are persons of repute with strength of character and professional eminence and

REPORT ON CORPORATE GOVERNANCE (Contd.)

bring a wide range of experience and expertise to the Board by providing leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

Independent Directors confirmation by the Board:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

Video Conferencing :

The Companies Act, 2013 read with the relevant rules made thereunder, facilitates the participation of a Director in Board/ Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing. During the year 2018-19, none of the directors participated in the Board / Committee Meetings through video conferencing.

Information Placed before Board of Directors :

The Company has complied with Part A of Schedule II of the Listing Regulations read with Regulation 17(7) of the said Regulations with regard to information to be placed before the Board of Directors.

Code of Conduct :

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company.

All Board members and senior management personnel have confirmed compliance with the code of conduct during the year 2018-19.

A declaration to this effect signed by the Managing Director in terms of the Listing Regulations is attached and forms part of the Annual Report of the Company.

Code of Conduct of Independent Directors :

As per the provisions of Section 149(8) of the Companies Act, 2013, the Company and independent directors shall abide by the provisions specified in Schedule IV of the Companies Act,

2013. Further, Schedule IV lays down a code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has formulated a Code for Independent Directors of the Company and the same has also been placed on the website of the Company.

3. AUDIT COMMITTEE

3.1 The Company has an Audit Committee functioning since 1987. The role and terms of reference of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations. The Committee acts as a link between the statutory and internal auditors and the Board of Directors.

3.2 The terms of reference of the Audit Committee *inter-alia* includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, 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 to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013,
 - 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) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

REPORT ON CORPORATE GOVERNANCE (Contd.)

7. Approval or any subsequent modification of transactions of the company with related parties;

Provided that the Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the conditions prescribed under the Act and the Listing Regulations.

8. Scrutiny of inter-corporate loans and investments;
9. Evaluation of internal financial controls and risk management systems;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. 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;
12. 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;
13. To review the functioning of the Whistle Blower/ Vigil mechanism;
14. To review the system for storage, retrieval, display or printout of the electronic records, if the Books of Accounts are kept in electronic mode;
15. To review the Financial Statements in particular the investments made by the Unlisted Subsidiary of the Company;
16. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
17. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, at least once in a financial year;
18. To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

- 3.3 During the year 2018-19, 4 (Four) meetings of the Audit Committee of the Company were held on 15th May, 2018, 6th August, 2018, 29th October, 2018 and 4th February, 2019. The maximum time gap between any two consecutive

meetings was not more than one hundred and twenty days. The composition of the Committee and the attendance of members of the Committee during the year 2018-19 is as under:

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	4
Shri Anand Bordia	Independent Non-Executive Director	4
Shri Brij Behari Tandon	Independent Non-Executive Director	4
Dr. Deepak Nayyar	Independent Non-Executive Director	4

As per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act, all Members of the Audit Committee including the Chairman are financially literate and have expertise in accounting or related financial management.

The Managing Director, Chief Financial Officer, Executive Presidents, Head of Management Audit Department and representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. Internal Auditors are also invited for discussion with the Audit Committee members. The Cost Auditors appointed by the Company under Section 148 of the Companies Act, 2013 attend the Audit Committee Meeting, where cost audit reports are discussed.

The Company Secretary acts as the Secretary to the Committee.

All recommendations made by the Audit Committee were accepted by the Board of Directors of the Company during the year 2018-19.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 20th July, 2018.

4. NOMINATION AND REMUNERATION COMMITTEE:

- 4.1 The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Committee are as follows:

- i) 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 management personnel and other employees;
- ii) formulation of criteria for evaluation of performance of

REPORT ON CORPORATE GOVERNANCE (Contd.)

Independent Directors and the Board;

- iii) devising a policy on Board's diversity;
- iv) identifying 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 and carry out evaluation of every director's performance;
- v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- vi) recommendations to board on all the payments made, in whatsoever form, to the senior management;
- vii) assess the list who shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

4.2 During the year 2018-19, 3 (Three) meetings of the Nomination and Remuneration Committee of the Company were held on 15th May, 2018, 30th October, 2018 and 8th March, 2019. The composition of the Committee and the attendance of members of the Committee during the year 2018-19 is as under:

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	3
Shri Harsh V. Lodha	Non-Independent Non-Executive Director	3
Shri Anand Bordia	Independent Non-Executive Director	3
Shri Brij Behari Tandon	Independent Non-Executive Director	3
Dr. Deepak Nayyar	Independent Non-Executive Director	3

All recommendations made by the Nomination and Remuneration Committee were accepted by the Board of Directors of the Company during the financial year 2018-19.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 20th July, 2018.

4.3 Nomination and Remuneration Policy :

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Nomination and Remuneration Policy for Directors and Senior Management, the details of which forms part of the Directors' Report.

4.4 Performance Evaluation criteria :

The Nomination and Remuneration Committee of the Board approved the criteria for determining qualifications, positive attributes and independence of Directors in terms of the Companies Act, 2013 and the Rules made thereunder and Listing Regulations, both in respect of Independent Directors and other Directors as applicable. The details in this regard are covered in the Directors' Report.

4.5 Details of remuneration paid/payable to the Executive/ Non-Executive Directors during the financial year ended 31st March, 2019:

(a) **Shri Bachh Raj Nahar, Managing Director:** (₹ in Lakhs)

Name	Salary	Perquisites & Allowances*	Sitting Fees	Performance Linked Bonus	Total amount paid/ payable in 2018-19	Period of Service Contract
Shri Bachh Raj Nahar	141.31	250.57	-	60	451.88	5 Years w.e.f. 03.08.2014

* Including Retirement benefits.

(b) **Shri Pracheta Majumdar, Wholetime Director designated as Chief Management Advisor:**

(₹ in Lakhs)

Name	Salary	Perquisites & Allowances	Sitting Fees	Performance Linked Bonus	Total amount paid/ payable in 2018-19	Period of Service Contract
Shri Pracheta Majumdar	104.25	1.23	-	65	170.48	3 Years w.e.f. 20.05.2018

(c) **Non-Executive Directors :**

(in ₹)

Name	Sitting Fees
Shri Harsh V. Lodha	750000
Shri Vikram Swarup	1400000
Shri Anand Bordia	1250000
Shri Brij Behari Tandon	1300000
Shri Dhruva Narayan Ghosh	750000
Dr. Deepak Nayyar	1150000
Ms. Shailaja Chandra	700000
Shri Dilip Ganesh Karnik	400000

No remuneration other than the sitting fees for attending Board and Committee Meetings was paid to the Non-Executive Directors. There is no other pecuniary relationship or transactions with the Non-Executive Directors vis-à-vis the Company.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director.

REPORT ON CORPORATE GOVERNANCE (Contd.)

5. STAKEHOLDERS RELATIONSHIP COMMITTEE :

- 5.1 Stakeholders Relationship Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations and inter alia approves transfer and transmission of shares, issue of duplicate share certificates/re-materialization of shares, consolidation and sub-division of share certificates.
- 5.2 Stakeholders Relationship Committee has been empowered to deal with and dispose of the instruments of transfer of shares in the Company including the power to reject transfer of shares in terms of the provisions of the Companies Act, 2013, Securities Contract (Regulations) Act, Listing Regulations and the Company's Articles of Association and take necessary actions for all of the matters effecting the interest of the shareholders such as:-
- Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
 - Review of measures taken for effective exercise of voting rights by the shareholders.
 - Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
 - Review of the various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, Annual Reports and statutory Notices etc.
- 5.3 During the year 2018-19, 4 (Four) meetings of the Stakeholders Relationship Committee of the Company were held on 16th May, 2018, 7th August, 2018, 30th October, 2018 and 5th February, 2019. The composition of the Committee and the attendance of members of the Committee during the year 2018-19 is as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non Independent Non-Executive Director	4
Shri Pracheta Majumdar	Executive Director	4
Shri Vikram Swarup	Independent Non-Executive Director	4
Shri Bachh Raj Nahar	Executive Director	4

- 5.4 In addition, the Stakeholders Relationship Committee

approved 22 Resolutions by Circulation for effecting registration of transfer of shares and other issues concerning investor services during the year.

The Company has received 4 (Four) complaints from the shareholders during the year 2018-19 and the same has been processed in time and replied/resolved to the satisfaction of the shareholders.

As on 31st March, 2019, no grievances of the Shareholders remained unaddressed/ pending.

Shri Girish Sharma, Company Secretary is the Compliance Officer of the Company.

6. COMMITTEE OF DIRECTORS :

- 6.1 The Committee of Directors has been constituted by the Board of Directors of the Company with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly.
- 6.2 During the year 2018-19, no meeting of the Committee of Directors of the Company was held. The composition of the Committee is as under:

Name of the Member	Category
Shri Harsh V. Lodha	Non-Independent Non-Executive Director
Shri Vikram Swarup	Independent Non-Executive Director
Shri Pracheta Majumdar	Executive Director
Shri Bachh Raj Nahar	Executive Director

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE :

- 7.1 The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company as per the provisions of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules, 2014.
- 7.2 The terms of reference of the Corporate Social Responsibility Committee of the Company are as under:
- to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
 - to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a Financial Year;
 - to monitor the Corporate Social Responsibility Policy of the company from time to time; and

REPORT ON CORPORATE GOVERNANCE (Contd.)

(d) any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

7.3 During the year 2018-19, 2 (Two) meetings of the CSR Committee were held on 16th May, 2018 and 7th August, 2018. The composition of the Committee and the attendance of members of the Committee during the year 2018-19 is as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director	2
Shri Vikram Swarup	Independent Non-Executive Director	2
Shri Brij Behari Tandon	Independent Non-Executive Director	2
Shri Dhruba Narayan Ghosh	Independent Non-Executive Director	2

8. RISK MANAGEMENT COMMITTEE:

8.1 Pursuant to Regulation 21 of the Listing Regulations, the Company has constituted the Risk Management Committee w.e.f. 1st April, 2019. The composition of the Committee is as under:-

Name of the Member	Category
Shri Brij Behari Tandon (Chairman)	Independent Non-Executive Director
Smt. Shailaja Chandra	Independent Non-Executive Director
Shri Dilip Ganesh Karnik	Non-Independent Non-Executive Director
Shri Sandip Ranjan Ghose	Member
Shri Aditya Saraogi	Member

Risk Management Committee shall act in accordance with the provisions of Section 134 of the Companies Act, 2013 read with the provisions of the Listing Regulations and the roles and responsibilities of the Risk Management Committee shall include the following:

- To develop the Risk Management Policy of the Company;
- To monitor and review the Risk Management Policy of the Company as may be approved by the Board;
- To review the Cyber Security systems of the Company;
- To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

9. INDEPENDENT DIRECTORS' MEETING:

During the year under review, 2 (Two) meetings of the Independent Directors of the Company were held on 16th May, 2018 and 7th August, 2018, *inter-alia*, to discuss:

- 9.1 Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.
- 9.2 Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- 9.3 Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The attendance of Directors at the meeting held during the year 2018-19 is as under:

Name of the Member	Attendance
Shri Dhruba Narayan Ghosh *	2
Shri Vikram Swarup	2
Shri Anand Bordia	2
Shri Brij Behari Tandon	2
Dr. Deepak Nayyar	2
Ms. Shailaja Chandra	2

* Shri Dhruba Narayan Ghosh was unanimously elected as the Chairman in both the Meetings.

10. SUBSIDIARY COMPANIES :

RCCPL Private Ltd. (formerly known as Reliance Cement Company Private Limited) is a material unlisted Subsidiary of the Company in terms of Regulation 24 of the Listing Regulations. The requirements relating to composition of Board of Directors of unlisted material subsidiary is complied with.

The Company monitors performance of the subsidiary companies, *inter-alia*, by the following means:

- Financial statements, in particulars the investments made by unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.
- Minutes of the Meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly.
- A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board / Audit Committee.

11. GENERAL BODY MEETINGS :

- 11.1 The details of Annual General Meetings held during last 3 years are as under:

REPORT ON CORPORATE GOVERNANCE (Contd.)

AGM	Year	Venue	Date	Time
98th	2017-18	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	20.07.2018	10.30 A.M.
97th	2016-17	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	31.07.2017	10.30 A.M.
96th	2015-16	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	08.07.2016	10.30 A.M.

11.2 The details of the Special Resolutions passed in the last three Annual General Meetings are as follows:

AGM	Financial Year	Details of Special Resolution passed
98th	2017-18	<ol style="list-style-type: none"> 1. Re-appointment of Shri Pracheta Majumdar (DIN: 00179118) as Whole-time Director designated as the Chief Management Advisor for a period of 3 years w.e.f. 20.05.2018. 2. Re-appointment of Shri Vikram Swarup (DIN: 00163543) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019. 3. Re-appointment of Shri Anand Bordia (DIN: 00679165) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019. 4. Re-appointment of Shri Brij Behari Tandon (DIN: 00740511) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019. 5. Re-appointment of Shri Dhruva Narayan Ghosh (DIN: 00012608) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019. 6. Re-appointment of Dr. Deepak Nayyar (DIN: 00348529) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019.
97th	2016-17	None
96th	2015-16	Continuation of holding of office by Shri Pracheta Majumdar (DIN: 00179118), Wholetime Director designated as Chief Management Advisor.

11.3 No Special Resolution was passed through Postal Ballot during the Financial Year 2018-19.

11.4 The Board of Directors in its meeting held on 3rd May, 2019 granted approval for conducting Postal Ballot to obtain the Shareholders approval by way of Special Resolution for continuation of directorship of Smt. Shailaja Chandra

(DIN: 03320688), who will attain the age of 75 years on 16th June, 2019 as a Non-Executive Independent Director of the Company till the expiry of her existing term i.e. up to 4th February, 2020.

12. DISCLOSURES :

i) Disclosure on materially significant related party transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2018-19 were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year 2018-19 which were in conflict with the interest of the Company.

Suitable disclosure as required by the Indian Accounting Standard (IND-AS 24) has been made in the Note No. 59 of the Financial Statements.

The Policy on Related Party Transaction can be accessed at the link <http://www.birlacorporation.com/investors/policies/related-party-transactions-policy.pdf>

ii) Disclosure on Accounting Treatment :

In the preparation of the financial statements, the Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, the Companies Act, 2013 and has also adopted IND AS. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

iii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets :

The Company has complied with all the requirements of the Listing Regulations as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to Capital Markets during the last three years.

iv) Risk Management :

The Company has laid a comprehensive Risk Assessment and Minimization Procedure which was presented to the Audit Committee and reviewed by the Board from time to time. These procedures are reviewed and updated to ensure that executive management controls risk through means of a properly defined framework and the risks are

REPORT ON CORPORATE GOVERNANCE (Contd.)

properly dealt with and mitigated.

v) Vigil Mechanism/Whistle Blower Policy:

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has framed a Vigil Mechanism/ Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee.

vi) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the applicable mandatory requirements of the Listing Regulations. The Company has not adopted the non-mandatory requirements of the Listing Regulation except that relating to the appointment of separate post of Chairman and Managing Director.

vii) Policy for determining 'Material' Subsidiaries:

The Company's Policy on "Material Subsidiary" is placed on the Company's website and can be accessed through link:
<http://www.birlacorporation.com/investors/policies/policy-on-material-subsiidiary.pdf>

viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

ix) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority-

The Certificate received from M/s. Mamta Binani & Associates, Company Secretary in practice is attached and forms part of the Report.

x) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.

All the recommendations of the various Committees were accepted by the Board.

xi) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network

entity of which the statutory auditor is a part:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to M/s. V. Sankar Aiyar & Co., Statutory Auditors of the Company is ₹ 0.86 crores.

xii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a) Number of complaints filed during the financial year 2018-19 - None
- b) Number of complaints disposed of during the financial year - Not Applicable
- c) Number of complaints pending as on end of the financial year - Not Applicable

xiii) There have been no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub-para (2) to (10) of para C of Schedule V to the Listing Regulations.

xiv) The Company has duly complied with the applicable requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

13. PREVENTION OF INSIDER TRADING :

The Company has formulated and adopted an Internal Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information ('Code') pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

The said Code was amended by the Board of Directors at its meeting held on 10th February, 2018 and subsequently it was amended and approved by the Board of Directors at its meeting held on 1st April, 2019.

The said Code is applicable to all Designated Persons, their immediate relatives and subsidiaries of the Company. The Code is also placed on the Company's website and can be accessed through link:

<http://www.birlacorporation.com/bcl-insider-trading.pdf>

The Board of Directors and the designated persons have confirmed compliance with the said Code.

14. CEO & CFO CERTIFICATION :

The Managing Director and Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of the Listing Regulations and the same is

REPORT ON CORPORATE GOVERNANCE (Contd.)

attached and forms part of the Annual Report.

15. COMPLIANCE CERTIFICATE OF THE AUDITORS :

Certificate from the Company's Statutory Auditors M/s. V. Sankar Aiyar & Co., Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated under the Listing Regulations is attached and forms part of the Annual Report.

16. MEANS OF COMMUNICATION :

The quarterly, half-yearly and the annual financial results of the Company are published in leading newspapers in English and vernacular newspapers. The results are also displayed on the Company's website www.birlacorporation.com. The Company also issues Press Releases on the quarterly, half-yearly and the annual financial results. As per the requirements of the Listing Regulations, the financial results, Statutory Notices and Press Releases are furnished to the Stock Exchanges where the securities of the Company are listed. The Management Discussion and Analysis, forms part of the Directors' Report and is covered in the Annual Report.

17. GENERAL SHAREHOLDERS' INFORMATION :

17.1 Annual General Meeting

Date and Time : 13th August, 2019, 10.30 A.M.

Venue : Kalpataru Uttam Mancha,
10/1/1, Monohar Pukur Road
Kolkata – 700 026

17.2 **Financial Year** : 1st April to 31st March

17.3 Financial Calendar (tentative and subject to change)

1st Quarterly Results	} Within 45 days of the end of the quarter
2nd Quarterly/Half yearly Results	
3rd Quarterly Results	

Audited yearly Results for the
year ending 31st March, 2020 : Within 60 days of the
end of the Financial
Year

17.4 **Date of Book closure** : 7th August, 2019 to
13th August, 2019
(both days inclusive)

17.5 Dividend Payment date :

Credit/dispatch of dividend warrants between 14th August, 2019 to 21st August, 2019.

17.6 Listing of Shares & Debentures :

A. Ordinary Shares

The Ordinary shares are at present listed at the following Stock Exchanges.

Name of the Stock Exchanges	Stock Code/Symbol
1. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C - 1, Block - G, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051.	BIRLACORPN – EQ
2. BSE Ltd.(BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.	500335

B. Debentures

The Privately placed Secured Redeemable Non-Convertible Debentures are listed on the Wholesale Debt Market Segment of BSE Limited.

C. Debenture Trustees

IDBI Trusteeship Services Limited
Asian Bldg., Ground Floor
17, R.Kamani Marg, Ballard Estate
Mumbai- 400001

17.7 ISIN Code for the Company's Ordinary Shares :

INE340A01012

17.8 ISIN Code for various series of Debentures is as under :

Secured Redeemable Non-Convertible Debentures Series –3	INE340A07050
Secured Redeemable Non-Convertible Debentures Series –4	INE340A07068
Secured Redeemable Non-Convertible Debentures Series –5	INE340A07076
Secured Redeemable Non-Convertible Debentures Series –6	INE340A07084
Secured Redeemable Non-Convertible Debentures Series –7	INE340A07092

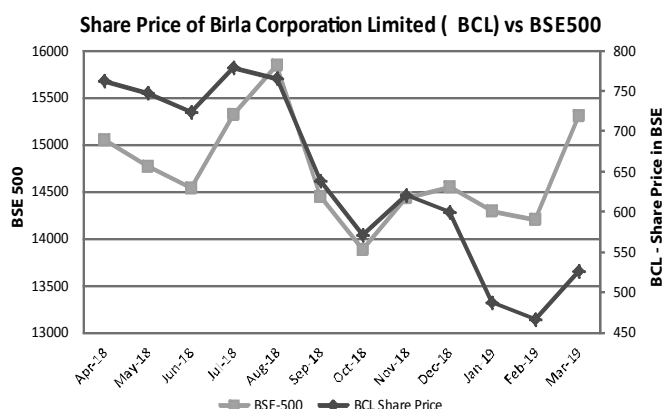
Annual Listing fees for the financial year 2018-19 and 2019-20 have been paid by the Company to the above Stock Exchanges.

17.9 Corporate Identity Number (CIN) :

L01132WB1919PLC003334

17.10 Market Price Data during financial year 2018-19:

Month	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
April, 2018	809.85	712.00	809.00	706.60
May, 2018	766.50	686.40	767.85	685.60
June, 2018	769.45	663.00	768.70	661.55
July, 2018	799.00	671.50	793.90	671.00
August, 2018	818.75	732.85	819.05	732.00
September, 2018	783.95	628.80	785.00	625.00
October, 2018	668.00	521.00	670.00	519.65
November, 2018	686.10	563.95	688.95	562.30
December, 2018	652.10	571.80	656.95	571.95
January, 2019	604.00	485.00	614.50	485.10
February, 2019	505.55	440.00	507.70	439.80
March, 2019	577.20	472.15	581.00	466.10

REPORT ON CORPORATE GOVERNANCE (Contd.)
17.11 Stock Performance in comparison to broad-based indices :


Note – Indicates monthly closing positions

17.12 Registrar & Share Transfer Agent :

MCS Share Transfer Agent Limited
383, Lake Gardens, 1st Floor, Kolkata -700 045
Phone : (033) 4072 4051/4052
Fax : (033) 4072 4050
E-mail : mcssta@rediffmail.com

17.13 Share Transfer System :

Share transfers in physical form are generally registered within 15 days from the date of receipt provided that the documents are found to be in order. Stakeholders Relationship Committee considers and approves the transfer proposals.

All requests for dematerialisation of shares, which are found to be in order, are generally processed within 15 days and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

17.14 Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on equity :

Nil.

17.15 Commodity price risk or foreign exchange risk and hedging activities :

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

During the year 2018-19, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No.55 to the Annual Standalone Financial Statement.

17.16 Details of credit ratings obtained by the Company during financial year 2018-19 :

Instrument details	Amount (₹ in Crore)	Rating
9.25% Non-convertible Debentures	200.00	ICRA AA (Negative); CARE AA (Stable)
9.25% Non-convertible Debentures	50.00	ICRA AA (Negative); CARE AA (Stable)
9.15% Non-convertible Debentures	150.00	ICRA AA (Negative); CARE AA (Stable)
9.10% Non-convertible Debentures	150.00	CRISIL AA (Negative); CARE AA (Stable)
9.05% Non-convertible Debentures	130.00	CRISIL AA (Negative); CARE AA (Stable)
Commercial Paper	300.00	CRISIL A1+
Long Term Bank facilities	1326.08	CARE AA (Stable)
Short Term Bank facilities	838.00	CARE A1+
Long / Short Term Bank facilities	110.00	CARE AA (Stable)/ CARE A1+

17.17 Dividend history for the last 5 years is as under :

Financial Year	Date of Declaration	Dividend per Share (₹)
2018 --2019	13.08.2019	7.50*
2017 --2018	20.07.2018	6.50
2016 -- 2017	31.07.2017	6.50
2015 -- 2016	08.07.2016	6.00
2014 -- 2015	02.07.2015	6.00
2013 -- 2014	21.08.2014	6.00

* Subject to approval of shareholders.

REPORT ON CORPORATE GOVERNANCE (Contd.)

17.18 Unclaimed Dividends :

The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. During financial year 2019-20, final dividend for the year 2011-12 declared at the AGM of the Company held on 28.06.2012 and interim Dividend for the year 2012-13 declared on 09.11.2012 which have remained unpaid/ unclaimed on respective due dates i.e. 03.08.2019 and 15.12.2019, will be transferred to the IEPF Authority.

17.19 Transfer of 'Shares' to Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years):

In terms of Section 124 and 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, during the financial year 2018-19, the Company has transferred 48,462 equity shares to the demat account of IEPF Authority in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 3rd August, 2018 and 6th December, 2018.

All Shares in respect of which dividends has remained unpaid/ unclaimed for a consecutive period of seven years or more since 2011-12 will also be transferred to the IEPF Authority. As required under the said Rules, the Company will publish Notices in the newspapers inviting the Members attention to the aforesaid Rules. The Company will also send out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter.

Further, it may also be noted that in terms of Section 124(6) and 125(3) of the Companies Act, 2013 read with Rule 7 of the IEPF Rules, shares and dividends which have been transferred to the IEPF Authority may be claimed by making an online application in Form No. IEPF-5, which is available at www.iepf.gov.in.

17.20 Details of outstanding shares in the Unclaimed Suspense Account :

In terms of Regulation 39(4) read with Schedule VI of the Listing Regulations, the details in respect of ordinary shares lying in the suspense account which was issued in demat form and physical form, respectively, are as under :

Particulars	Demat		Physical	
	Number of Share-holders	Number of Ordinary Shares	Number of Share-holders	Number of Ordinary Shares
Aggregate Number of share-holders and outstanding shares in the unclaimed suspense account lying at the beginning of the year	108	31515	0	0
Number of shareholders who approached the Company for transfer of shares and shares transferred from unclaimed suspense account during the year	3	60	0	0
Number of shareholders and shares transferred to the IEPF Authority from the unclaimed suspense account	7	24512	0	0
Number of shareholders and aggregate number of shares transferred to the unclaimed Suspense Account during the year	0	0	0	0
Aggregate Number of share-holders and the outstanding shares in the unclaimed suspense account lying at the end of the year	98	6943	0	0

The voting, dividend and other rights on the shares in the suspense account as on 31st March, 2019 shall remain frozen till the rightful owners of such shares claim the shares.

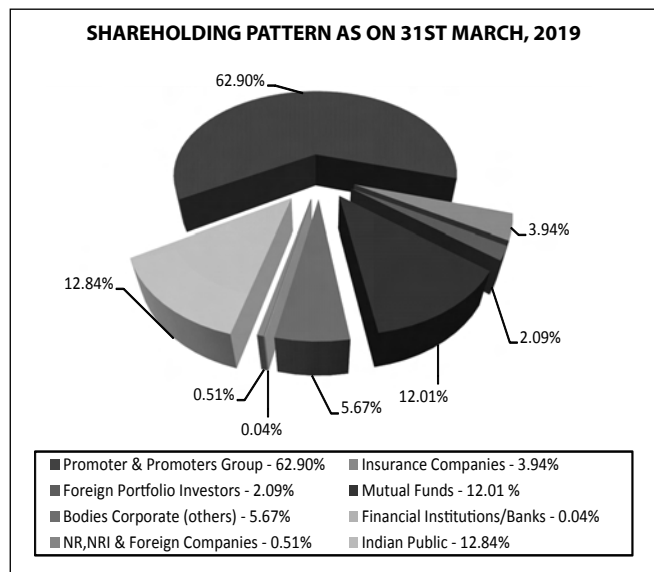
17.21 Distribution of shareholding as on 31st March, 2019:

No. of Ordinary Shares held	No. of shareholders	% of shareholders	No. of Ordinary Shares	% of shareholding
Upto 500	42543	93.85	4571486	5.94
501 to 1000	1597	3.52	1166504	1.51
1001 to 2000	591	1.30	851230	1.11
2001 to 3000	200	0.44	492050	0.64
3001 to 4000	87	0.19	302973	0.39
4001 to 5000	63	0.14	289257	0.38
5001 to 10000	100	0.22	716240	0.93
10001 & above	152	0.34	68615607	89.10
TOTAL	45333	100.00	77005347	100.00

REPORT ON CORPORATE GOVERNANCE (Contd.)

17.22 Shareholding Pattern :

The shareholding of different categories of the shareholders as on 31st March, 2019 is given below:-



17.23 Dematerialisation of Shares and liquidity:

As on 31st March, 2019, 99.54% of the Company's total ordinary shares representing 76651183 shares were held in dematerialised form and 354164 shares representing 0.46% of paid-up share capital were held in physical form.

17.24 Reconciliation of Share Capital Audit:

As stipulated by the Securities and Exchange Board of India (SEBI), a practicing Chartered Accountant 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 the Stock Exchanges, and is also placed before the Board of Directors.

17.25 Plant Locations :

Birla Corporation Limited :

The Company's plants are located at Satna (Madhya Pradesh), Chanderia (Rajasthan), Kolkata, Birlapur and Durgapur (West Bengal), Raebareli (Uttar Pradesh), Chakan (Maharashtra) and Gurgaon (Haryana).

RCCPL Private Limited (wholly owned subsidiary of the Company) :

The plants of RCCPL Private Limited are located at Maihar (Madhya Pradesh), Kundanganj (Uttar Pradesh) and Butibori (Maharashtra).

17.26 Address for Correspondence:

The shareholders may address their communications/ suggestions/ grievances/ queries to:

The Company Secretary,
Birla Corporation Limited,
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata-700 001
Tel. No.: (033) 66166729, 66166738, 66166737
Fax: (033) 2248-7988/2872

17.27 Exclusive e-mail id for Investors' Grievances :

Pursuant to Regulation 85 of the Listing Regulations, the following e-mail id has been designated for communicating investors' grievances: **investorsgrievance@birlacorp.com**

17.28 E-mail id pursuant to Green Initiative in the Corporate Governance :

As a part of Green Initiative, the Members who wants to receive the notices/documents including Annual Reports of the Company electronically, may kindly intimate their e-mail id to the Company at its designated e-mail id i.e., **greeninitiative@birlacorp.com**

REPORT ON CORPORATE GOVERNANCE (Contd.)**DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and senior management personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2019 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **BIRLA CORPORATION LIMITED**

(BACHH RAJ NAHAR)
Managing Director

Dated : the 3rd May, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**TO WHOMSOEVER IT MAY CONCERN**

This is to certify that we have verified the records of '**BIRLA CORPORATION LIMITED**' having their registered office at Birla Building, 9/1, R N Mukherjee Road, Kolkata 700001, West Bengal, India. We further confirm that none of the directors of the company has incurred any disqualification under section 164(2) of the Companies Act, 2013 in the financial year 2018-19, and that they, at present, stands free from any disqualification from being a director.

Place: Kolkata
Date: 03.05.2019

For **Mamta Binani & Associates**

Madhuri Pandey
Partner
ACS No.: 55836
CP No.: 20723

REPORT ON CORPORATE GOVERNANCE (Contd.)

3rd May, 2019

The Board of Directors
Birla Corporation Limited
9/1, R. N. Mukherjee Road
Kolkata – 700 001

Certification by Chief Executive Officer (CEO) & Chief Financial Officer (CFO)

We, Bachh Raj Nahar, Managing Director and Aditya Saraogi, Chief Financial Officer of Birla Corporation Limited certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2019 and that to the best of our knowledge and belief, we state that:
 - i) these statements do not contain any materially untrue statement, or omit any material fact or contain any statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- 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 the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit 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 propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee:
 - i) significant changes, if any, in the internal controls over financial reporting during the year;
 - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we 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.

For **BIRLA CORPORATION LIMITED**

(BACHH RAJ NAHAR)
Managing Director

For **BIRLA CORPORATION LIMITED**

(ADITYA SARAOGI)
Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE (Contd.)

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

1. We have examined the compliance of regulations of Corporate Governance by **Birla Corporation Limited** ('the Company') for the year ended 31st March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations 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 designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and 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.
5. 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

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2019. 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.

Restriction on use

7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm Regn. No.: 109208W)

(**M.S. BALACHANDRAN**)
Partner
Membership No : 024282

Place : Kolkata
Dated : 3rd May 2019

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **BIRLA CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2019, its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<u>Recoverability of MAT Credit Entitlement in future:</u> The Company has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, estimation long-term future profitability, future revenue from proposed projects and tax regulations and developments. As a result, the recognition of the deferred tax asset on above is significant to our audit. The disclosures relating to the above are included in Note no 25 of the standalone financial statements.	Audit procedures included, among others, review of: <ul style="list-style-type: none"> • The appropriateness of the methodology applied by the Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits. • The likelihood of the Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalisations and depreciation allowance thereon and future estimates of taxable income. • The adequacy of the Company's disclosures in the financials on deferred tax assets and assumptions used.

Information Other than the Standalone Financial Statements and Auditor's 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 Directors' Report and Management Discussion and Analyses, Business Responsibility Report and the Report on Corporate Governance but does not include the standalone financial statements and our auditor's 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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 Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
- 2 As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash flow statement and the 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 (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder;

- e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41.1 to 41.5 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and Rules made there under.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Registration No: 109208W)

(M.S. BALACHANDRAN)

Partner

(Membership No: 024282)

Place : Kolkata

Date : 3rd May, 2019

Annexure-A referred to in the Independent Auditors' Report to the Members of Birla Corporation Limited on the standalone accounts for the year ended 31st March, 2019.

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management/ outside agencies in a phased manner and reconciled with books of account, except in case of Soorah Jute Mills (due to suspension of work) with carrying value other than land and building, at Rs. 0.30 crore and Auto Trim Division at Gurgaon & Chakan with carrying value, other than land and building, at Rs.1.65 crores, where verification could not be done. We are informed that no major discrepancies were noticed on such verification. Minor discrepancies stands adjusted in the accounts. In our opinion, the frequency of verification is reasonable in relation to the size of the Company.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed etc., provided to us, we report that the title deeds of immovable properties are held in the name of the Company. The title deeds relating to certain immovable properties have been pledged as security with banks and financial institution for loans, guarantees etc., are held in the name of the Company based on the confirmations from the Security Trustees.
- (ii) The stock of finished goods, stores, spare parts and raw materials have been physically verified by the management/ outside agencies at reasonable intervals during the year, except for Soorah Jute Mills (due to suspension of work) and Auto Trim Division at Gurgaon and Chakan, where physical verification could not be done. We are informed that inventory held at these locations were insignificant. No material discrepancies were noticed on physical verification and minor discrepancies stands adjusted in the accounts.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a),(b)&(c) of the Order are not applicable.
- (iv) The Company has not given any loan or provided any guarantees or security to parties covered under section 185 of the Companies Act, 2013. In respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted deposits during the year from the public within the provisions of section 73 to 76 or any other provisions of the Companies Act, 2013 and the Rules framed thereunder.
- (vi) We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, sales-tax, goods and services tax (GST), duty of excise, duty of custom, value added tax, cess and any other statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2019, which were outstanding for a period of more than six months from the date they became payable.
- (b) The disputed dues of different years, relating to income-tax, service-tax, sales-tax, duty of customs, duty of excise, value added tax or goods and services tax (GST) which have remained unpaid as on 31st March, 2019 for which appeals are pending as under:

Name of the Statute	Nature of Dues	Amount (Rs. in Crore)	Period to which amount relates	Forum where the dispute is pending
Sales Tax & VAT Laws	Sales Tax and VAT	15.67	1994 to 2016	Department/ 1st Appellate Authority
		3.53	1989 to 2014	Appellate Tribunals
		3.04	1989 to 2015	High Court
IGST and SGST Act	IGST and SGST	0.14	2017	Department/ 1st Appellate Authority
Central Excise Act, 1944	Excise Duty	37.33	1980 to June 2017	Department/ 1st Appellate Authority
		15.24	2002 to June 2017	Appellate Tribunals
		4.76	2003 to June 2017	High Court

Name of the Statute	Nature of Dues	Amount (Rs. in Crore)	Period to which amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	1.01	2006 to 2016	Department/ 1st Appellate Authority
		10.10	2005 to June 2017	Appellate Tribunals
		0.30	2015 to June 2017	High Court
Customs Act, 1962	Custom Duty	1.99	2012 to 2013	Appellate Tribunals
The Income Tax Act, 1961	Income Tax	7.15	AY 2014-15 to 2015-16	Department/ 1st Appellate Authority

- (viii) On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. In the case of debentures no repayment has fallen due.
- (ix) In our opinion and according to the information and explanations given to us, term loans taken during the year were applied for the purpose for which the loans were obtained. The Company has not raised moneys by way of public offer (including debt instruments). Proceeds from foreign currency loans raised in earlier years and remain unutilized, due to delays in execution of projects, as at 1st April, 2018 amounting to RS.16.14 crores were subsequently utilized during the year at various dates.
- (x) Based on the audit procedures performed and representation obtained from the management, we report that no case of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) 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 Companies Act, 2013.

- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 to the extent applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Registration No: 109208W)

(M.S. BALACHANDRAN)
Partner
(Membership No: 024282)

Place : Kolkata
Date : 3rd May, 2019

Annexure-B referred to in the Independent Auditors' Report to the Members of Birla Corporation Limited on the standalone accounts for the year ended 31st March, 2019.

We have audited the internal financial controls over financial reporting of the Company as of 31st 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by ICAI. 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 issued by the ICAI.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Registration No: 109208W)

(M.S. BALACHANDRAN)

Partner

(Membership No: 024282)

Place : Kolkata

Date : 3rd May, 2019

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Crores)

	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	3,074.37	3,041.75
Capital Work-In-Progress	5	54.99	94.85
Investment Property	6	0.17	0.18
Intangible Assets	7	11.87	9.13
Intangible Assets under Development	7	2.11	2.36
Biological Assets other than Bearer Plants	8	0.87	0.92
Investment in Subsidiaries & Associates	9	2,281.25	2,281.25
Financial Assets			
Investments	10	393.89	366.84
Loans	11	1.73	3.01
Other Financial Assets	12	30.74	26.71
Non Current Tax Asset (Net)		74.13	32.59
Other Non-Current Assets	13	84.34	57.66
CURRENT ASSETS			
Inventories	14	588.16	528.41
Financial Assets			
Investments	15	497.78	412.75
Trade Receivables	16	190.09	158.95
Cash and Cash Equivalents	17	65.93	89.09
Bank Balances other than Note 17	18	41.53	110.98
Loans	11	1.24	1.18
Other Financial Assets	12	197.99	201.13
Current Tax Asset (Net)		–	53.35
Other Current Assets	13	206.64	191.92
Non-Current Assets classified as Held for Sale	19	0.63	0.42
Total Assets		7,800.45	7,665.43
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	20	77.01	77.01
Other Equity	21	4,148.96	4,051.44
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	22	1,594.07	1,712.15
Other Financial Liabilities	23	355.07	301.56
Provisions	24	31.07	28.13
Deferred Tax Liabilities (Net)	25	336.49	334.28
Non Current Tax Liabilities (Net)		3.30	0.56
Other Non Current Liabilities	26	151.71	182.49
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	27	25.22	36.76
Trade Payables	28		
– Total outstanding dues of micro enterprises and small enterprises		4.09	1.29
– Total outstanding dues of creditors other than micro enterprises and small enterprises		420.29	322.69
Other Financial Liabilities	23	485.90	429.32
Other Current Liabilities	26	149.87	173.19
Provisions	24	11.20	10.41
Current Tax Liabilities (Net)		6.20	4.15
Total Equity and Liabilities		7,800.45	7,665.43
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements and Key Estimates	4		
The Notes are an integral part of the Standalone Financial Statements			

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
INCOME			
Revenue from Operations	29	4,423.58	3,861.25
Other Income	30	81.08	77.40
Total Income		4,504.66	3,938.65
EXPENSES			
Cost of Materials Consumed	31	948.33	627.97
Purchases of Stock -in- Trade	32	1.45	0.45
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	33	16.82	34.12
Excise Duty		–	141.46
Employee Benefits Expense	34	273.27	264.51
Finance Costs	35	178.06	165.21
Depreciation and Amortisation Expense	36	148.53	146.05
Other Expenses	37	2,778.19	2,448.67
Total Expenses		4,344.65	3,828.44
Profit before Exceptional Items and Tax		160.01	110.21
Exceptional Items	38	–	12.48
Profit before Tax		160.01	97.73
Tax Expense :	39		
Current Tax		40.26	27.84
Deferred Tax		2.52	(24.43)
Income Tax for earlier years		(20.55)	(20.81)
		22.23	(17.40)
Profit for the year		137.78	115.13
Other Comprehensive Income :			
A. Items that will not be reclassified to profit or loss	40.1	20.01	1,092.21
Income tax relating to these items		0.47	(198.69)
		20.48	893.52
B. Items that will be reclassified to profit or loss	40.2	(0.24)	(0.64)
Income tax relating to these items		(0.16)	0.22
		(0.40)	(0.42)
Other Comprehensive Income for the Year (Net of Tax)		20.08	893.10
Total Comprehensive Income for the year		157.86	1,008.23
Earnings Per Share (Face Value of ₹ 10/- each)			
Basic & Diluted (₹)	47	17.89	14.95
Basis of Preparation	2		
Significant Accounting Policies	3		
Significant Judgements and Key Estimates	4		
The Notes are an integral part of the Standalone Financial Statements			

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash Flow from Operating Activities :		
Profit after Exceptional Items & before Tax	160.01	97.73
Adjustments for :		
Depreciation & Amortisation	148.53	146.05
Investing Activities (Net)	(58.86)	(59.77)
Provision for doubtful debts	1.99	0.33
Bad debts	0.13	0.05
(Profit)/Loss on sale/ discard of Property, Plant and Equipment (Net)	(2.05)	(2.04)
Profit on sale of Non Current Assets classified as Held for Sale	(5.80)	(0.51)
Fair Valuation for Biological Assets other than Bearer Plants	0.10	(0.05)
Amortisation of Deferred Revenue	(1.60)	(0.89)
Excess liabilities and unclaimed balances & provision written back (Net)	(5.50)	(9.10)
Excess Depreciation written back	(0.01)	(0.07)
Effect of Foreign Exchange Fluctuations	21.68	4.21
Finance Costs	178.06	165.21
Operating Profit before Working Capital changes	436.68	341.15
Adjustments for :		
(Increase)/ Decrease in Trade Receivables	(31.00)	(69.84)
(Increase)/ Decrease in Inventories	(59.75)	(38.08)
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	(38.33)	3.80
Increase/ (Decrease) in Trade Payables & Other Liability	130.87	220.06
Increase/ (Decrease) in Provisions	4.50	(0.22)
Cash generated from operations	442.97	456.87
Direct Taxes Paid (Net of Refund Received)	(3.11)	(36.74)
Net Cash from Operating Activities	439.86	420.13
Cash Flow from Investing Activities :		
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(154.71)	(172.18)
Sale of Tangible Assets	16.71	3.78
(Purchase)/ Sale of Liquid Investments (Net)	(86.64)	(137.28)
Purchase of other Current Investments	(415.15)	(137.75)
Sale of other Current Investments	446.43	218.60
Sale of Non-Current Investments	0.03	-
Payment towards Investment in Subsidiary	(74.96)	(31.74)
(Increase)/ Decrease in Other Bank Balances	69.45	112.27
Loan (given)/ taken back from Related Parties	(0.05)	0.39
Interest received	19.93	13.14
Dividend received	1.86	1.02
Net Cash used in Investing Activities	(177.10)	(129.75)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	6.67	5.24
Repayments of Long Term Borrowings	(59.97)	(93.24)
(Repayments)/Proceeds from Short Term Borrowings (Net)	(7.21)	9.86
Interest Paid	(160.76)	(144.69)
Dividend Paid	(50.05)	(50.05)
Corporate Dividend tax paid	(10.29)	(10.19)
Net Cash used in Financing Activities	(281.61)	(283.07)
Net Increase in Cash and Cash Equivalents	(18.85)	7.31
Cash and Cash Equivalents (Opening Balance)	84.78	77.47
Cash and Cash Equivalents (Closing Balance)	65.93	84.78
Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)	65.93	89.09
Overdraft Balance in Current Account shown under short term borrowing	–	(4.31)
Cash and Cash Equivalents (Closing Balance) after adjusting overdraft balance	65.93	84.78

Note :
a) Reconciliation of Liabilities arising from financing activities

Particulars	Balance as on 1st April, 2018	Proceeds	Repayments	Forex Adjustments	Fair Value Changes	Balance as on 31st March, 2019
Long Term Borrowings (Including current maturity)	1,844.49	6.67	59.97	37.95	(0.22)	1,828.92
Short Term Borrowings (Excluding Overdraft Balance in Current Account)	32.45	36.85	44.06	(0.02)	–	25.22

- b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- c) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 3.2.
- d) Figures for the previous year have been re-grouped wherever considered necessary.
- e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- f) The Notes are an integral part of Standalone Financial Statements.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

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HARSH V. LODHA
Chairman
(DIN : 00394094)

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Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

a) Equity Share Capital (Refer Note No. 20)

Balance as at 1st April, 2017	77.01
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2018	77.01
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2019	77.01

b) Other Equity (Refer Note No. 21)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income			Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt Instrument through Other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Revaluation Surplus	
Balance as at 1st April, 2018	1.05	83.00	2,580.05	–	346.96	(0.55)	220.54	820.39	4,051.44
Profit for the Year	–	–	–	–	137.78	–	–	–	137.78
Remeasurement Gain/(Loss)	–	–	–	–	0.77	–	–	–	0.77
Revaluation of Free Hold Land	–	–	–	–	–	–	–	–	–
Mark to Market Gain/(Loss)	–	–	–	–	–	(0.24)	19.24	–	19.00
Impact of Tax	–	–	–	–	(0.27)	(0.16)	–	0.74	0.31
Total Comprehensive Income	–	–	–	–	138.28	(0.40)	19.24	0.74	157.86
Final Dividends Paid (₹ 6.50 per share)	–	–	–	–	(50.05)	–	–	–	(50.05)
Dividend Distribution Tax on Final Dividend	–	–	–	–	(10.29)	–	–	–	(10.29)
Transfer to Debenture Redemption Reserve	–	21.42	–	–	(21.42)	–	–	–	–
Transfer to General Reserve	–	–	50.00	–	(50.00)	–	–	–	–
Total Appropriations/Adjustments	–	21.42	50.00	–	(131.76)	–	–	–	(60.34)
Balance as at 31st March, 2019	1.05	104.42	2,630.05	–	353.48	(0.95)	239.78	821.13	4,148.96

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income			Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt Instrument through Other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Revaluation Surplus	
Balance as at 1st April, 2017	1.05	61.58	2,530.05	(6.34)	358.65	(0.13)	152.25	–	3,097.11
Profit for the Year	–	–	–	–	115.13	–	–	–	115.13
Remeasurement Gain/(Loss)	–	–	–	–	7.44	–	–	–	7.44
Revaluation of Free Hold Land	–	–	–	–	–	–	–	1,054.56	1,054.56
Mark to Market Gain/(Loss)	–	–	–	–	–	(0.64)	30.21	–	29.57
Impact of Tax	–	–	–	–	(2.60)	0.22	38.08	(234.17)	(198.47)
Total Comprehensive Income	–	–	–	–	119.97	(0.42)	68.29	820.39	1,008.23
Final Dividends Paid (₹ 6.50 per share)	–	–	–	–	(50.05)	–	–	–	(50.05)
Dividend Distribution Tax on Final Dividend	–	–	–	–	(10.19)	–	–	–	(10.19)
Transfer to Debenture Redemption Reserve	–	21.42	–	–	(21.42)	–	–	–	–
Transfer to General Reserve	–	–	50.00	–	(50.00)	–	–	–	–
Exchange Gain/(Loss) during the year	–	–	–	0.96	–	–	–	–	0.96
Amortisation during the year (Refer Note no 37.2)	–	–	–	5.38	–	–	–	–	5.38
Total Appropriations/Adjustments	–	21.42	50.00	6.34	(131.66)	–	–	–	(53.90)
Balance as at 31st March, 2018	1.05	83.00	2,580.05	–	346.96	(0.55)	220.54	820.39	4,051.44

The Notes are an integral part of the Standalone Financial Statements.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
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Partner
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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1 CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited is the flagship company of the M. P. Birla Group. The Company is a Public Limited Listed Company domiciled and incorporated in India having its registered office at Kolkata, West Bengal, India. It was incorporated as per the provisions of the Companies Act as Birla Jute Manufacturing Company Limited in the year 1919. The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Company for the year ended 31st March, 2019 have been approved by the Board of Directors in their meeting held on 3rd May, 2019.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial Assets and Liabilities (including Derivative Instruments) that is measured at fair value/ amortised cost;
- Non-Current Assets classified as Held for Sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined Benefit Plans - plan assets measured at fair value;
- Biological Assets - At fair value less cost to sell; and
- Freehold Land falling under Property, Plant & Equipment that is measured at fair value.

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR or ₹), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Crores, unless otherwise stated. Wherever the amount represented ₹ "0.00" (Zero) construes value less than Rupees fifty thousand.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current Vs Non-Current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the standalone financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. 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.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of the Cash Flow Statement the same is net of outstanding bank overdrafts.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

3.3.1 Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2 Deferred Tax

- Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment**3.4.1 Recognition and Measurement :**

- Property, plant and equipment held for use in the production or/ and supply of goods or services, or for administrative purposes, are stated

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Company has opted revaluation model during the year (Refer Note No.5.2).

- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2 Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3 Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.
- Depreciation and amortization on leasehold land is provided on straight line method over the period of lease.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

3.4.4 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and loss.

3.4.5 Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**3.4.6 Capital Work in Progress**

Capital work-in-progress is stated at cost less accumulated impairment loss, if any, which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.4.7 Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment losses. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan

3.5 Leases**3.5.1 Determining whether an arrangement contains a lease**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition..

3.5.2 Company as lessor**➤ Finance Lease**

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

➤ Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3 Company as Lessee**➤ Finance Lease**

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

➤ Operating Lease

Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to the Statement of Profit and Loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3.6 Revenue Recognition

Effective 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provides a control-based revenue recognition model and a five step application approach for revenue recognition as under:

- Identification of the contract(s) with customers;
- Identification of the performance obligations;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations;
- Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue excludes amounts collected on behalf of third parties.

3.6.1 Sale of Goods

Revenue from the sale of goods is recognized when the Company satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and variable considerations i.e. discounts, rebates, sales claim etc..

3.6.2 Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Company applies the most likely amount method for contracts with a single volume threshold and the expected value method for contracts with more than one volume threshold that best predicts the amount of variable consideration.

3.6.3 Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.4 Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.7 Employee Benefits

3.7.1 Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

3.7.2 Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**3.7.3 Post Employment Benefits**

The Company operates the following post employment schemes:

➤ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

➤ **Defined Contribution Plan**

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on monthly basis.

Further in respect of other employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot not be lower than the statutory rate of interest notified by the government. The company has an obligation to make good the shortfall in the interest amount, if any. In view of the Company's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

3.7.4 Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

3.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).
- The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind AS 101 for all pre-existing long term

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

3.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.11 Interest in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries or the loss of significant influence over associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.12.1 Financial Assets

➤ Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ Classification and Subsequent Measurement:

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost : A debt instrument is measured at the amortized cost if both the following conditions are met:

- ☐ The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI : A debt instrument is measured at the FVTOCI if both the following conditions are met:

- ☐ The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- ☐ The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- **Measured at FVTPL** : FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- **Equity Instruments measured at FVTOCI** : All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to the Statement of Profit and Loss, even on sale of investment.

➤ **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets**

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2 Financial Liabilities

➤ **Recognition and Initial Measurement :**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, 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.

➤ **Subsequent Measurement :**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

➤ **Financial Guarantee Contracts**

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

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counter party.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3.12.3 Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

3.13 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units - CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1 Provisions

Provisions are recognized when there is 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

➤ Restoration (including Mine closure), rehabilitation and decommissioning

It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred and are reviewed at each Balance Sheet date.

➤ Onerous Contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

3.14.2 Contingent Liabilities

Contingent liability is a possible obligation arising from past events and 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 a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to financial statements.

3.14.3 Contingent Assets

Contingent assets are not recognised in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.15 Intangible Assets

3.15.1 Recognition and Measurement

3.15.1.1 Mining Rights

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**3.15.1.2 Other Intangible Assets**

Software which is not an integral part of related hardware, is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

3.15.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

3.15.3 Amortization

- Mining Rights are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.15.4 Intangible Assets under Development

Intangible Assets under development is stated at cost less accumulated impairment losses (if any). Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.

3.17 Biological Assets other than Bearer Plants

Biological Assets other than Bearer Plants are recognized when the entity controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A Biological Asset other than Bearer Plants is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

3.18 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the Balance Sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3.19 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Operating segments of the Company comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.20 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.21 Standards Issued/ amended but not yet effective

On 30th March, 2019, The Ministry of Corporate Affairs (MCA) has notified Ind AS 116 (Leases) under Companies (Indian Accounting Standards) Amendment Rules, 2019, applicable from accounting period commencing on or after 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases, applicable for both lessor and the lessee. Ind AS 116 introduced a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. The lessee is required to recognise depreciation on rights of use assets and finance costs on lease liabilities in the Statement of Profit and Loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities. Currently, operating lease expenses are charged to the Statement of Profit and Loss.

The Company intends to adopt the Standard when it becomes effective. The Company is in the process of assessing the possible impact of the Standard and will adopt the amendments on the required effective date.

4. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Restoration (including Mine closure), rehabilitation and decommissioning:** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **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 input to these models are taken from observable markets where possible, but where this 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.
- **Revenue Recognition:** The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts, rebates, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Estimates of discounts and rebates are sensitive to changes in circumstances and the Company's past experience regarding returns, discount and rebate entitlements and may not be representative of customers' actual returns, discount and rebate entitlements in the future.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

5 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Year Ended 31st March, 2019													
	Gross Carrying Amount							Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2018	Additions	Transfer	Disposals	Revaluation	Other Adjustments	As at 31st March, 2019	As at 1st April, 2018	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2019	As at 31st March, 2019
Leasehold Land	0.57	—	—	—	—	—	0.57	0.03	0.01	—	—	—	0.04	0.53
Freehold Land (Refer Note 5.1 to 5.2)	1,152.12	3.93	—	—	—	—	1,156.05	—	—	—	—	—	—	1,156.05
Sub-Total	1,152.69	3.93	—	—	—	—	1,156.62	0.03	0.01	—	—	—	0.04	1,156.58
Buildings (Refer note 5.1)	205.26	19.15	—	0.71	—	0.23	223.93	22.94	8.62	—	0.12	—	31.44	192.49
Plant and Machinery	2,064.99	146.28	—	8.56	—	5.91	2,208.62	393.52	129.63	—	0.98	—	522.17	1,686.45
Furniture and Fittings	7.18	0.42	—	0.02	—	—	7.58	2.29	0.82	—	0.01	—	3.10	4.48
Vehicles	18.50	3.47	—	0.60	—	0.02	21.39	6.60	2.29	—	0.38	—	8.51	12.88
Office Equipments	17.32	5.68	—	0.12	—	—	22.88	9.07	3.39	—	0.07	—	12.39	10.49
Railway Sidings	13.02	1.83	—	—	—	0.05	14.90	2.76	1.14	—	—	—	3.90	11.00
Total	3,478.96	180.76	—	10.01	—	6.21	3,655.92	437.21	145.90	—	1.56	—	581.55	3,074.37
Capital Work-In-Progress	94.85	30.50	70.45	—	—	0.09	54.99	—	—	—	—	—	—	54.99

Particulars	Year Ended 31st March, 2018													
	Gross Carrying Amount							Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2017	Additions	Transfer	Disposals	Revaluation	Other Adjustments	As at 31st March, 2018	As at 1st April, 2017	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018
Leasehold Land	0.57	—	—	—	—	—	0.57	0.02	0.01	—	—	—	0.03	0.54
Freehold Land (Refer Note 5.1 to 5.2)	88.78	8.78	—	—	1,054.56	—	1,152.12	—	—	—	—	—	—	1,152.12
Sub-Total	89.35	8.78	—	—	1,054.56	—	1,152.69	0.02	0.01	—	—	—	0.03	1,152.66
Buildings (Refer note 5.1)	198.02	7.64	—	0.38	—	(0.02)	205.26	14.66	8.32	—	0.04	—	22.94	182.32
Plant and Machinery	1,967.34	99.38	—	0.72	—	(1.01)	2,064.99	264.89	128.65	—	0.02	—	393.52	1,671.47
Furniture and Fittings	6.57	0.62	—	0.01	—	—	7.18	1.48	0.81	—	—	—	2.29	4.89
Vehicles	15.56	3.29	—	0.35	—	—	18.50	4.49	2.32	—	0.21	—	6.60	11.90
Office Equipments	13.93	3.44	—	0.05	—	—	17.32	6.15	2.94	—	0.02	—	9.07	8.25
Railway Sidings	10.27	2.70	—	0.01	—	0.06	13.02	1.78	0.98	—	—	—	2.76	10.26
Total	2,301.04	125.85	—	1.52	1,054.56	(0.97)	3,478.96	293.47	144.03	—	0.29	—	437.21	3,041.75
Capital Work-In-Progress	58.67	66.03	30.08	—	—	0.23	94.85	—	—	—	—	—	—	94.85

Notes :

- 5.1 Gross Carrying Amount includes ₹ 1.59 Crores (Previous Year ₹ 1.59 Crores) in Land and ₹ 7.00 Crores (Previous Year ₹ 7.00 Crores) in Building under Co-ownership basis and also ₹ 0.00 Crore (Previous Year ₹ 0.00 Crore) being value of investments in Shares of a Private Limited Company.
- 5.2 In the previous year, the Company had adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land had been revalued on the basis of valuation report made by independent valuers. Carrying amount as on 1st April, 2018 includes revaluation surplus of ₹ 1,054.56 Crores. In the opinion of the management, as there is no significant change in the fair value indicators, no fair valuation is done as on 31st March, 2019.
The fair valuation was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. This valuation was based on valuations performed by accredited independent valuers. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in level 2 fair value hierarchy.
- 5.3 Other Adjustments include adjustment on account of foreign exchange differences pursuant to using the optional exemption available under Para D13AA of Ind AS 101 "First Time Adoption" for continuing with the policy adopted for accounting for exchange difference on the Long Term Foreign Exchange Monetary Items recognized under previous GAAP as described in note no. 37.2 to the financial statement. Accordingly, the amount capitalized during the year with the Property, Plant and Equipment amounts to ₹ 3.78 Crores (Previous Year decapitalized ₹ 2.35 Crores).
- 5.4 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 1.67 Crores (Previous Year ₹ 1.60 Crores), (Refer Note No. 35).
- 5.5 Refer note no. 43 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
- 5.6 Refer note no. 44 for information on Property, Plant and Equipment pledged as securities by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019
6 INVESTMENT PROPERTY

(₹ in Crores)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Gross Carrying Amount		
Opening Gross Carrying Amount	0.19	0.19
Additions	–	–
Disposals	–	–
Other Adjustments	–	–
Closing Gross Carrying Amount	0.19	0.19
Accumulated Depreciation		
Opening Accumulated Depreciation	0.01	0.01
Depreciation charged during the year	0.01	0.00
Closing Accumulated Depreciation	0.02	0.01
Net Carrying Amount	0.17	0.18

- 6.1** The fair value of the Company's investment properties as at 31st March, 2019 and 31st March, 2018 are ₹ 24.19 Crores and ₹ 24.07 Crores respectively. The fair value has been arrived on the basis of valuation performed by independent valuers, who are specialist in valuing these types of investment properties, having appropriate qualifications and recent experience in the valuation of properties in relevant locations.
- 6.2** The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by accredited independent valuers. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.
- 6.3** The amounts recognized in the Statement of Profit and Loss in relation to the investment properties:

Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
Rental Income	0.14	0.14
Direct Operating Expenses in relation to – Properties generating rental income	0.28	0.23

- 6.4** The Company has no restriction on the realisability of its investment properties or the remittance of income and proceeds of disposal. There is no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

7 INTANGIBLE ASSETS

Particulars	Year Ended 31st March, 2019										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2018	Additions	Disposals / Transfer	Other Adjustments	As at 31st March, 2019	As at 1st April, 2018	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2019	As at 31st March, 2019
Computer Software	3.35	3.14	–	–	6.49	2.17	0.79	–	–	2.96	3.53
Mining Rights (includes site preparation)	9.70	2.22	–	–	11.92	1.75	1.83	–	–	3.58	8.34
Total	13.05	5.36	–	–	18.41	3.92	2.62	–	–	6.54	11.87
Intangible Assets under Development	2.36	5.11	5.36	–	2.11	–	–	–	–	–	2.11

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Year Ended 31st March, 2018										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2017	Additions	Disposals / Transfer	Other Adjustments	As at 31st March, 2018	As at 1st April, 2017	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018
Computer Software	3.35	—	—	—	3.35	1.67	0.50	—	—	2.17	1.18
Mining Rights (includes site preparation)	2.23	7.47	—	—	9.70	0.23	1.52	—	—	1.75	7.95
Total	5.58	7.47	—	—	13.05	1.90	2.02	—	—	3.92	9.13
Intangible Assets under Development	1.93	7.90	7.47	—	2.36	—	—	—	—	—	2.36

7.1 Refer note no. 43 for disclosure of contractual commitments for the acquisition of Intangible Assets.

7.2 Refer note no. 44 for information on Intangible Assets pledged as securities by the Company.

8 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening Balance	0.92	0.82
Additions/Acquisitions	0.05	0.05
Disposals	—	0.00
Fair Value Adjustments	(0.10)	0.05
Closing Balance	0.87	0.92

8.1 The Company owns bearer biological assets i.e., livestock from which milk is produced. The livestock is maintained by the Company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

9 INVESTMENT IN SUBSIDIARIES & ASSOCIATES

Particulars	Refer Note No.	Face Value of ₹ 10 each unless otherwise stated	As at 31st March, 2019		As at 31st March, 2018	
			Qty.	Amount	Qty.	Amount
EQUITY INVESTMENTS VALUED AT COST						
UNQUOTED (FULLY PAID UP)						
Investment In Subsidiaries						
Birla Corporation Cement Mfg PLC		1,000 Brr	1,699	0.45	1,699	0.45
Less: Impairment				0.45		0.45
Net				—		—
RCCPL Pvt. Ltd. (Formerly known as Reliance Cement Company Pvt. Ltd.)	9.1	10	31,28,22,900	2,272.26	31,28,22,900	2,272.26
Talavadi Cements Ltd.		10	58,80,400	5.88	58,80,400	5.88
Budge Budge Floor Coverings Ltd.		10	40,00,000	2.00	40,00,000	2.00
Lok Cements Ltd.		10	10,00,700	1.01	10,00,700	1.01
Birla Cement (Assam) Ltd.		10	50,000	0.05	50,000	0.05
Birla Jute Supply Co. Ltd.		10	6,000	0.03	6,000	0.03
MP Birla Group Services Pvt. Ltd.		10	20,000	0.02	20,000	0.02
Sub Total				2,281.25		2,281.25
Investment In Associates						
Birla Odessa Industries Pvt. Ltd.	9.2	10	—	—	4,910	0.00
Birla Readymix (P) Ltd.		10	—	—	5,000	0.01
Less: Impairment				—		0.01
Sub Total				—		—
TOTAL				2,281.25		2,281.25
Aggregate amount of Unquoted Investments				2,281.70		2,281.71
Aggregate amount of Impairment in value of Investments				0.45		0.46

Note :

9.1 Nil (Previous Year ₹ 18.74 Crores) increase on account of further settlement as provided in the Share Purchase Agreement with Reliance Infrastructure Limited.

9.2 The Investments in associates stands written off on account of completion of winding up procedures by the respective associate.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019
10 NON-CURRENT INVESTMENTS

(₹ in Crores)

Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
			Qty.	Amount	Qty.	Amount
A. DEBT INSTRUMENTS AT AMORTISED COST						
UNQUOTED						
National Savings Certificate	10.1	7,500	1	0.00	1	0.00
Sub Total				0.00		0.00
TOTAL (A)				0.00		0.00
B. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME						
EQUITY INSTRUMENTS (FULLY PAID UP)						
QUOTED						
Century Textiles & Industries Ltd.		10	18,07,660	168.67	18,07,660	206.54
Birla Cables Ltd.		10	53,88,515	82.79	53,88,515	32.82
Universal Cables Ltd.	10.2	10	8,00,157	17.62	8,00,157	10.45
Hindustan Media Ventures Ltd.		10	4,440	0.05	4,440	0.10
Rameshwara Jute Mills Ltd.	10.3	10	19,133	0.01	19,133	0.01
Vindhya Telelinks Ltd.		10	100	0.01	100	0.01
Birla Precision Technologies Ltd.		2	2,121	0.00	2,121	0.00
Zenith Birla (I) Ltd.		10	6,362	0.00	6,362	0.00
Sub Total				269.15		249.93
UNQUOTED	10.3					
Birla Buildings Ltd.		10	24,000	0.02	24,000	0.02
Neosym Industry Limited		10	52,000	0.01	52,000	0.01
Lotus Court Ltd.		10	1	0.01	1	0.01
Industry House Ltd.		10	600	0.01	600	0.01
Eastern Economist Ltd.		10	400	0.01	400	0.01
Woodlands Multispeciality Hospital Ltd.		10	520	0.00	520	0.00
Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.00	10	0.00
Elgin Mills Co. Ltd.		10	2,250	0.00	2,250	0.00
Bally Jute Mills Employees Consumers' Co-operative Stores Limited		10	250	0.00	250	0.00
Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.00	15	0.00
Craig Jute Mills Ltd.		3	50	0.00	50	0.00
Ampsolar Farms Private Limited		10	–	–	2,600	0.00
Sub Total				0.06		0.06
Investment in Quoted Government Securities						
6.90% GOI 2019		100	–	–	1,00,000	1.00
Sub Total				–		1.00
Investments In Quoted Bonds						
9.70% IFCI Ltd. 2030		10,00,000	63	5.95	63	6.16
9.55% IFCI Ltd. 2025		10,00,000	13	1.25	13	1.28
Sub Total				7.20		7.44
TOTAL (B)				276.41		258.43

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
			Qty.	Amount	Qty.	Amount
C. INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS						
Investment In Preference Shares - Unquoted (Fully paid up)						
RCCPL Pvt. Ltd. (Formerly known as Reliance Cement Company Pvt. Ltd.) 10% Redeemable Cumulative Preference Shares		100	1,00,00,000	117.48	1,00,00,000	108.39
Elgin Mills Co. Ltd. - 5% Preference Shares		10	100	0.00	100	0.00
Sub Total	10.3			117.48		108.39
Investments in Mutual Funds						
UNQUOTED						
UTI Master Share Unit Scheme - Dividend Plan - Payout			–	–	7,200	0.02
Sub Total				–		0.02
TOTAL (C)				117.48		108.41
TOTAL NON-CURRENT INVESTMENTS				393.89		366.84
Aggregate Book Value of Quoted Investments				276.35		258.37
Aggregate Fair Value of Quoted Investments				276.35		258.37
Aggregate amount of Unquoted Investments				117.54		108.47
Aggregate amount of Impairment in value of Investments				–		–

Notes :

10.1 Deposited with Government Department as Security.

10.2 Vide order of Delhi High Court Dated 27th September 2018, the 98,157 number of shares allotted as additional shares, were allowed to be demated and converted to demat form.

10.3 Fair valuation not carried out as amounts are not significant.

11 LOANS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Loans & Advances to Related Parties	11.1, 11.2 & 11.3				
Loan Receivables		2.71	2.66	0.07	0.07
Less: Provision for Doubtful Receivables		1.36	–	0.07	0.07
		1.35	2.66	–	–
Loans & Advances to Others	11.1, 11.2 & 11.3				
Loan Receivables		0.38	0.35	1.24	1.18
Less: Provision for Doubtful Receivables		–	–	0.00	0.00
		0.38	0.35	1.24	1.18
Total		1.73	3.01	1.24	1.18
11.1 Break Up of Loans					
Loan Receivables considered good - Secured		–	–	–	–
Loan Receivables considered good - Unsecured		1.73	3.01	1.24	1.18
Loan Receivables which have significant increase in Credit Risk		1.36	–	0.07	0.07
Loan Receivables-credit impaired		–	–	–	–
		3.09	3.01	1.31	1.25
Less: Provision for Doubtful Receivables		1.36	–	0.07	0.07
		1.73	3.01	1.24	1.18

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

11.2 No Loans are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Loan due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in note no. 11.3 given below.

11.3 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

Particulars	Refer Note No.	Balance Outstanding		Maximum amount Outstanding	
		As at		For the year ended	
		31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
i. Subsidiary Companies					
RCCPL Pvt. Ltd. (Formerly known as Reliance Cement Company Pvt. Ltd.)	(iii)(b)	–	–	–	0.48
Lok Cements Limited	(iii)(a) & (c)	1.35	2.66	2.71	2.66
Birla Corporation Cement Manufacturing PLC	(iii)(a) & (c)	–	–	0.07	0.07
Talavadi Cements Limited	(iii)(b)	–	–	0.07	0.06
Birla Jute Supply Co. Limited	(iii)(b)	–	–	0.00	0.00
Budge Budge Floorcoverings Limited	(iii)(b)	–	–	0.00	0.02
Birla Cement (Assam) Limited	(iii)(b)	–	–	0.00	0.00
M. P. Birla Group Services Pvt. Ltd.	(iii)(b)	–	–	0.00	0.00
ii. Associate Companies					
Birla Odessa Industries Private Limited	(iii)(b)	–	–	–	0.00
Birla Readymix Private Limited	(iii)(b)	–	–	–	0.00
iii. Purpose for which the advance was provided					
a. Advance given for implementation of Project					
b. Advance given for working capital needs					
c. Net of Provision for Doubtful Receivables					
iv. For Guarantee refer note no. 41.4 and for Investments refer note no. 9, 10 & 15.					

12 OTHERS FINANCIAL ASSETS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Security Deposits					
Unsecured, considered good		26.11	21.60	8.62	8.61
		26.11	21.60	8.62	8.61
Incentive and Subsidy Receivable		–	–	184.80	189.87
Less : Provision for Doubtful Receivables		–	–	1.44	1.44
		–	–	183.36	188.43
Other Deposits and Advances					
Unsecured, considered good	12.1	1.64	1.76	4.24	1.06
Unsecured, considered doubtful		–	–	1.55	1.24
		1.64	1.76	5.79	2.30
Less: Provision for Doubtful Advances		–	–	1.55	1.24
		1.64	1.76	4.24	1.06
Deposits with Bank having maturity of more than one year from the balance sheet date	12.2	0.48	0.86	–	–
Interest Accrued on Deposits		0.14	0.12	1.77	2.47
Derivative Contracts		–	–	–	0.56
Amount Paid Under Protest		2.37	2.37	–	–
Others		–	–	–	–
		2.99	3.35	1.77	3.03
Total		30.74	26.71	197.99	201.13

12.1 No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except ₹ 0.01 Crores (Previous year ₹ 0.24 Crores) are receivables from a private company in which directors of the Company are directors.

12.2 Represents deposits marked lien in favour of Govt. Authorities.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

13 OTHER ASSETS

Particulars	Non Current		Current	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Advance against supply of Goods and Services	–	–	171.70	160.80
Less : Provision for Doubtful Advances	–	–	0.50	0.52
	–	–	171.20	160.28
Capital Advances	12.56	9.43	–	–
Prepaid Expenses	5.30	6.54	4.60	5.52
Amount paid under Protest	59.88	31.98	–	–
Balances with Government & Statutory Authorities	0.42	0.44	19.42	20.52
Security Deposits				
Unsecured considered good	1.89	1.88	0.41	0.41
Other Advances (Including Balance with Gratuity Fund)	4.29	7.39	11.01	5.19
Total	84.34	57.66	206.64	191.92

No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except ₹ 1.81 Crores (Previous year ₹ 0.15 Crores) are receivables from private companies in which directors of the Company are directors.

14 INVENTORIES

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
(As valued and certified by the Management)	3.1		
Raw Materials	14.1	121.01	86.80
Work-In-Progress	14.1	74.23	79.16
Finished Goods	14.1	86.22	98.26
Stock-In-Trade	14.1	0.15	–
Stores and Spares	14.1	154.17	137.79
Fuels	14.1	145.22	114.08
Packing Materials		7.16	12.32
Total		588.16	528.41

14.1 The above includes goods-in-transit as under:

Raw Materials	7.53	0.35
Work-In-Progress	0.42	4.04
Finished Goods	10.27	11.67
Stock-In-Trade	0.15	–
Stores and Spares	0.99	1.01
Fuels	–	15.49
Total	19.36	32.56

14.2 Amount of write down of inventories carried at net realisable value and recognised as expense: ₹ 1.15 Crores (Previous Year ₹ 1.25 Crores).

14.3 Refer Note no. 44 for information on amount of inventories pledged as securities by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019
15 CURRENT INVESTMENTS

(₹ in Crores)

Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
			Qty.	Amount	Qty.	Amount
A. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME						
Investment in Quoted Government Securities						
6.90% GOI 2019		100	1,00,000	1.00	–	–
TOTAL (A)				1.00		–
B. INVESTMENT AT FAIR VALUE THROUGH PROFIT AND LOSS						
Investments in Mutual Funds						
QUOTED						
HDFC FMP 92D February 2018(1) - Direct Growth			–	–	2,50,00,000	25.18
ICICI Prudential FMP Series 82-103 D Plan O DP			–	–	1,00,00,000	10.06
Kotak FMP Series 218 Direct Growth			–	–	4,00,00,000	40.30
Reliance Fixed Horizon Fund Series - XXXVI - Series 4			–	–	2,50,00,000	25.20
Kotak Monthly Interval Plan Series 4 - Direct Plan Growth			1,00,00,000	10.03	–	–
Sub Total				10.03		100.74
UNQUOTED						
UTI Money Market Fund - Direct Plan Growth			–	–	1,11,609	21.76
UTI Liquid Cash Plan - Institutional Plan - Direct Plan Growth			57,278	17.53	–	–
L & T Ultra Short Term Fund - Direct Plan Growth			1,15,26,884	35.89	–	–
Kotak Savings Fund - Direct Plan Growth (Previously known as Kotak Treasury Advantage Fund - Direct Plan Growth)			74,93,231	22.89	75,68,458	21.37
Kotak Liquid Direct Plan Growth			52,186	19.75	51,196	18.03
SBI Magnum Low Duration Fund - Direct Plan Growth (Previously known as SBI Ultra Short Term Debt Fund - Direct Plan Growth)	15.1		53,270	12.95	48,362	10.89
Tata Treasury Advantage Fund - Direct Plan Growth (Previously known as Tata Ultra Short Term Fund - Direct Plan Growth)			–	–	1,23,994	32.95
Tata Liquid Fund - Direct Plan Growth (previously known as Tata Money Market Fund - Direct Plan Growth)			1,13,598	33.45	69,592	19.06
Kotak Corporate Bond Fund - Direct Plan Growth			–	–	45,452	10.58
IDFC Low Duration Fund - Direct Plan Growth (previously known as IDFC Ultra Short Term Fund - Direct Plan Growth)			–	–	1,11,53,370	27.66
Invesco India Liquid Fund - Direct Plan Growth			1,45,011	37.30	96,755	23.14
DSP Liquidity Fund - Direct Plan Growth (previously known as DSP BlackRock Liquidity Fund - Direct Plan Growth)			49,008	13.11	81,054	20.15
SBI Liquid Fund - Direct Plan Growth (Previously known as SBI Premier Liquid Fund - Direct Plan Growth)			51,584	15.11	73,559	20.04
L & T Liquid Fund - Direct Plan Growth			70,553	18.08	85,645	20.41
Reliance Liquid Fund - Direct Plan Growth			76,277	34.80	33,709	14.29
Yes Liquid Fund - Direct Plan Growth			1,97,852	20.08	–	–
ICICI Prudential Money Market Fund - Direct Plan Growth			–	–	8,85,991	21.29
HDFC Ultra Short Term Fund - Direct Plan Growth			7,61,60,143	79.77	–	–
IDFC Ultra Short Term Fund - Direct Plan Growth			3,40,20,340	36.08	–	–
ICICI Prudential Liquid Plan - Direct Plan Growth			8,23,638	22.77	–	–
Baroda Liquid Fund Plan B - Growth			2,05,290	44.17	–	–
Axis Liquid Fund - Direct Plan Growth			1,10,986	23.02	1,03,938	20.03
Axis Banking & PSU Debt Fund - Direct Plan Growth			–	–	63,994	10.36
Sub Total				486.75		312.01
TOTAL (B)				496.78		412.75
TOTAL CURRENT INVESTMENTS				497.78		412.75
Aggregate Book value of Quoted Investments				11.03		100.74
Aggregate Fair Value of Quoted Investments				11.03		100.74
Aggregate amount of Unquoted Investments				486.75		312.01
Aggregate amount of impairment in value of investments				–		–

15.1 Out of the same 45,930 units (Previous year: 45,930 units) are held as margin in favour of State Bank of India against bank guarantee.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

16 TRADE RECEIVABLES

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables	16.1 & 16.2	201.59	171.00
Less: Provision for Doubtful Receivables		11.50	12.05
Total		190.09	158.95
Break Up of Trade Receivables			
Trade Receivables considered good - Secured		91.65	62.04
Trade Receivables considered good - Unsecured		98.44	96.91
Trade Receivables which have significant increase in Credit Risk		11.50	12.05
Trade Receivables-credit impaired		–	–
Total		201.59	171.00
Less: Provision for Doubtful Receivables		11.50	12.05
Total		190.09	158.95

16.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

16.2 No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except ₹ 12.91 Crores (Previous year ₹ 28.56 Crores) are receivables from a private company in which directors of the Company are directors.

17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Balances With Banks :			
In Current/Cash Credit Account		34.26	37.40
In Deposit Accounts with Original Maturity of less than three months		20.00	31.10
Cheques/drafts on Hand		11.50	20.43
Cash on Hand		0.17	0.16
Total		65.93	89.09

18 BANK BALANCES (OTHER THAN NOTE : 17)

Balance in Unpaid Dividend Account	18.1	1.48	1.40
Other Fixed Deposit with Banks		40.05	109.58
Total		41.53	110.98

18.1 Includes deposits marked lien in favour of Govt. Authorities and Banks.

19 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	0.63	0.42
Total		0.63	0.42

19.1 Plant & Machinery related to:

Unit Birla Carbide & Gases: Suspension of operations was declared of the Company's unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29th October, 2001. Subsequently, closure of the Unit was declared w.e.f. 31st January, 2005. A resolution was passed by Board of Directors of the Company on 4th November, 2015 for disposal of assets of the Unit. All Plant & Machineries, except some insignificant portion thereof, were disposed off till March, 2019 and it is expected that the sale for the remaining portion will be completed by September, 2019. The assets of the unit comprising remaining Plant & Machineries are presented within total assets of the "Unallocated Corporate Assets" under Segment Reporting.

Unit Chanderia: During the year, the Company decided to dispose of the old Thermal Power Plants and DG Sets at Chanderia unit being not in use for more than ten years. An online auction process was initiated in December, 2018 based on which the buyer was finalised. Dismantling and sale of Plant & Machineries started in January, 2019 but could not completed by March, 2019. It is expected that the sale will be completed by August, 2019. The assets of this unit comprising Plant & Machineries remaining unsold on 31st March, 2019 are presented within total assets of the "Cement Segment Assets" under Segment Reporting.

Non recurring fair value measurements

The fair value of the Plant & Machineries, classified as held for sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in fair value measurement disclosures refer note no. 54. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

20 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
20.1 Authorised Share Capital				
Ordinary Shares of ₹10/- each	9,00,00,000	90.00	9,00,00,000	90.00
Preference Shares of ₹100/- each	10,00,000	10.00	10,00,000	10.00
Total	9,10,00,000	100.00	9,10,00,000	100.00
20.2 Issued Share Capital				
Ordinary Shares of ₹10/- each	7,70,13,416	77.01	7,70,13,416	77.01
Total	7,70,13,416	77.01	7,70,13,416	77.01
20.3 Subscribed and Paid-up Share Capital				
Ordinary Shares of ₹10/- each fully paid-up	7,70,05,347	77.01	7,70,05,347	77.01
Add : Forfeited Ordinary Shares (Amount originally paid-up)	-	0.00	-	0.00
Total	7,70,05,347	77.01	7,70,05,347	77.01

20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

20.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

20.7 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. (P) Ltd.	45,20,572	5.87	45,20,572	5.87
Reliance Capital Trustee Company Limited (Shares held in their various Schemes)	54,15,705	7.03	41,62,918	5.41

20.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 The Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared.

20.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

20.11 No calls are unpaid by any Director or Officer of the Company during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

21 OTHER EQUITY (Refer Statement of Change in Equity)

The Description of the nature and purpose of each reserve within equity is as follows:

- a) **Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.
- b) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.
- c) **General Reserve:** The general reserve is created out of retained earnings and being used for appropriation purposes.
- d) **Foreign Currency Monetary Item Translation Difference Account:** Foreign Currency Monetary Item Translation Difference Account represents the exchange differences arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded or reported in previous financial statements in so far as they related to items other than acquisition of a depreciable capital assets in pursuance of option exercised by the company under para 46A of Accounting standard 11 for all pre-existing long term foreign currency monetary items as at 31st March, 2016.
- e) **Retained Earnings:** Retained Earnings represents the undistributed profit of the Company.
- f) **Debt Instrument through Other Comprehensive Income:** This reserve is created on account of fair valuation of selected debt instrument and will be transferred to Statement of Profit and Loss on liquidation of respective instruments.
- g) **Equity Instrument through Other Comprehensive Income:** This Reserve is created on account of fair valuation of equity instruments other than investments in subsidiaries and associates. This will be directly transferred to Retained Earnings on disposal of respective equity instruments.
- h) **Revaluation Surplus:** Revaluation Surplus arises on account of fair valuation of Freehold Land. This will be directly transferred to Retained Earnings at the time of sale/disposal/transfer (if any) of the respective portion of Freehold Land.

22 LONG TERM BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Non-Convertible Debentures (NCD)	22.1(a)				
(Face Value of ₹ 10,00,000/- each)					
2,500 (Previous Year - 2500) 9.25% NCD 2026		250.00	250.00	–	–
1,500 (Previous Year - 1500) 9.15% NCD 2021		150.00	150.00	–	–
1,300 (Previous Year - 1300) 9.05% NCD 2020		130.00	130.00	–	–
1,500 (Previous Year -1500) 9.10% NCD 2020		–	150.00	150.00	–
		530.00	680.00	150.00	–
Term Loans					
From Banks :					
Rupee Loans	22.1(b)	851.05	589.62	15.68	5.03
Foreign Currency Loans	22.1(c)	205.83	439.53	69.16	127.30
From Other:					
Rupee Loans	22.1(d)	7.07	2.88	–	–
		1,063.95	1,032.03	84.84	132.33
Finance lease obligations	22.2	0.12	0.12	0.01	0.01
Total		1,594.07	1,712.15	234.85	132.34
Amount disclosed under the head "Other Financial Liabilities"	23	–	–	(234.85)	(132.34)
Total		1,594.07	1,712.15	–	–
Break Up of Security Details					
Secured		1,593.95	1,712.03	234.84	132.33
Unsecured		0.12	0.12	0.01	0.01
Total		1,594.07	1,712.15	234.85	132.34

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

22.1 Terms and Conditions of Long Term Borrowings :

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
a) Non-Convertible Debentures			
i) 9.25% NCD 2026	22.1 (e) (i)	250.00	250.00
ii) 9.15% NCD 2021	22.1 (e) (ii)	150.00	150.00
iii) 9.05% NCD 2020	22.1 (e) (iii)	130.00	130.00
iv) 9.10% NCD 2020	22.1 (e) (iv)	150.00	150.00
b) Rupee Term Loan - From Banks - in Indian Rupees	22.1 (f) & (h)	872.16	600.00
c) Foreign Currency Loan - From Banks - in Foreign Currency	22.1 (g)	276.64	570.82
d) Rupee Term Loan - From Others - in Indian Rupees	22.1 (i)	11.91	5.24

e) Non-Convertible Debentures are redeemable fully at par as under :

- i) 9.25% NCD 2026 of ₹ 250.00 Crores, includes ₹ 60.00 Crores repayable in August 2024, ₹ 15.00 Crores repayable in September 2024, ₹ 60.00 Crores repayable in August 2025, ₹ 15.00 Crores repayable in September 2025, ₹ 80.00 Crores repayable in August 2026, ₹ 20.00 Crores repayable in September 2026.
- ii) 9.15% NCD 2021 repayable in August 2021.
- iii) 9.05% NCD 2020 repayable in October 2020.
- iv) 9.10% NCD 2020 repayable in March 2020.

f) Rupee Loan from Banks are repayable as under:-

Term Loan ₹ 277.20 Crores, (Rate of Interest MCLR 6M Plus spread of 0.15%)
₹ 5.60 Crores payable in 4 equal quarterly installments from June 2019 to March 2020.
₹ 8.40 Crores payable in 4 equal quarterly installments from June 2020 to March 2021.
₹ 11.20 Crores payable in 4 equal quarterly installments from June 2021 to March 2022.
₹ 56.00 Crores payable in 8 equal quarterly installments from June 2022 to March 2024.
₹ 70.00 Crores payable in 8 equal quarterly installments from June 2024 to March 2026.
₹ 84.00 Crores payable in 8 equal quarterly installments from June 2026 to March 2028.
₹ 42.00 Crores payable in 2 equal quarterly installments from June 2028 to September 2028.

g) Foreign Currency Loans from Banks are repayable as under:-

Term Loan ₹ 276.64 Crores (Rate of Interest LIBOR 1M Plus spread of 175 bps)

- i) ₹ 276.64 Crores repayable in 8 equal quarterly installments starting from October 2019 to July 2021.

The above loans (e), (f), (g) are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Cement Division, ranking pari-passu with debenture holders and other lender banks.

h) Rupee Loan from Banks are repayable as under:-

Term Loan ₹ 594.96 Crores, (Rate of Interest MCLR 6M/12M Plus spread upto 0.35%)

₹ 10.08 Crores payable in 4 equal quarterly installments from May/June 2019 to February/March 2020.
₹ 30.00 Crores payable in 2 equal quarterly installments from May/June 2020 to August/September 2020.
₹ 35.04 Crores payable in 2 equal quarterly installments from November/December 2020 to February/March 2021.
₹ 39.96 Crores payable in 2 equal quarterly installments from May/June 2021 to August/September 2021.
₹ 180.00 Crores payable in 8 equal quarterly installments from November/December 2021 to August/September 2023.
₹ 150.05 Crores payable in 6 equal quarterly installments from November/December 2023 to February/March 2025.
₹ 125.10 Crores payable in 5 equal quarterly installments from May/June 2025 to May/June 2026.
₹ 24.73 Crores payable in August/September 2026.

The Rupee Term Loans are secured by first ranking pari-passu charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Jute Division and land situated at Birlapur & Narkeldanga.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

i) Rupee Loan from Other is repayable as under:-

Interest free Term Loan ₹ 11.91 Crores from Pradeshia Industrial & Investment Corporation of U.P. Ltd.

- i) ₹ 11.91 Crores includes, ₹ 2.82 Crores repayable in January 2025, ₹ 2.42 Crores repayable in March 2025 and ₹ 6.67 Crores repayable in May 2025.

The above loan is secured by Bank Guarantees.

22.2 Finance Lease Obligation

The Company has entered into various finance lease arrangements mainly for land for terms ranging up to 99 years. The legal title to these items vests with the respective lessors. There are no restrictions imposed by lease arrangements. There are no sub-lease arrangements entered in to by the Company for these leases.

The Company has finance lease contracts and the obligation under finance lease are secured by the lessor's title to the leased assets. Future minimum lease payments under finance lease contracts together with the present value of the net minimum lease payments are disclosed as below:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	0.01	0.01	0.01	0.01
After one year but not more than five years	0.05	0.04	0.05	0.04
More than five years	0.43	0.08	0.43	0.08
Total minimum lease payments	0.49	0.13	0.49	0.13
Less: Amounts representing Finance Charges	0.36	–	0.36	–
Present value of minimum lease payments	0.13	0.13	0.13	0.13

23 OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current Maturities of Long Term Debt	22	–	–	234.84	132.33
Current Maturities of Finance Lease Obligations	22	–	–	0.01	0.01
Trade & Security Deposits (Unsecured)		347.21	293.71	0.10	0.09
Interest Accrued but not due on Borrowings		–	–	28.16	28.85
Unpaid and Unclaimed Dividends		–	–	1.48	1.40
Employees Related Liabilities		–	–	21.87	17.64
Amount Payable for Capital Goods	45	–	–	11.60	14.08
Derivative Contracts		–	–	6.17	–
Other Payables (including rebates and discounts)		–	–	181.67	234.92
		347.21	293.71	485.90	429.32
Liabilities Under Litigation		28.69	27.56	–	–
Less : Paid Under Protest		20.83	19.71	–	–
		7.86	7.85	–	–
Total		355.07	301.56	485.90	429.32

24 PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		31.07	28.13	4.60	5.06
Provision for Mines Restoration	24.1	–	–	6.60	5.35
Total		31.07	28.13	11.20	10.41

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

24.1 Movement of Provision :

Particulars	Provision for Mines Restoration	
	31st March, 2019	31st March, 2018
Balance as at year beginning	5.35	5.01
Provision made during the year	1.25	0.34
Provision utilised during the year	–	–
Balance as at year end	6.60	5.35

The Company has an obligation to restore the mines after extracting of reserves. Therefore provision has been recognised for the estimated decommissioning and restoration cost in accordance with the mines closure plan.

25 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
<u>Arising on account of :</u>		
Depreciation	378.17	364.48
Revaluation Surplus	233.43	234.17
Mark to Market Gain on Investments	5.54	4.19
Others	0.27	0.28
	617.41	603.12
Less: Deferred Tax Assets		
<u>Arising on account of :</u>		
Mat Credit Entitlement	215.94	188.77
Items u/s 43B of Income Tax Act, 1961	56.94	64.76
Others	8.04	15.31
	280.92	268.84
Deferred Tax Liabilities (Net)	336.49	334.28

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2018 and 31st March, 2019

Particulars	As at 1st April, 2018	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2019
Deferred Income Tax Liabilities				
Depreciation	364.48	13.69	–	378.17
Revaluation Surplus	234.17	–	(0.74)	233.43
Mark to Market Gain on Investments	4.19	1.19	0.16	5.54
Remeasurement of the Defined Benefit Plans	–	(0.27)	0.27	–
Others	0.28	(0.01)	–	0.27
	603.12	14.60	(0.31)	617.41
Deferred Income Tax Assets				
Mat Credit Entitlement	188.77	27.17	–	215.94
Items u/s 43B of Income Tax Act, 1961	64.76	(7.82)	–	56.94
Others	15.31	(7.27)	–	8.04
	268.84	12.08	–	280.92
Deferred Tax Liabilities (Net)	334.28	2.52	(0.31)	336.49

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	As at 1st April, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2018
Deferred Tax Liabilities				
Depreciation	356.55	7.93	–	364.48
Revaluation Surplus	–	–	234.17	234.17
Mark to Market Gain on Investments	56.00	(13.51)	(38.30)	4.19
Remeasurement of the Defined Benefit Plans	–	(2.60)	2.60	–
Others	0.40	(0.12)	–	0.28
	412.95	(8.30)	198.47	603.12
Deferred Tax Assets				
Mat Credit Entitlement	171.60	17.17	–	188.77
Items u/s 43B of Income Tax Act, 1961	69.28	(4.52)	–	64.76
Others	11.83	3.48	–	15.31
	252.71	16.13	–	268.84
Deferred Tax Liabilities (Net)	160.24	(24.43)	198.47	334.28

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority..

25.3 The Company has not recognised deferred tax assets on unused tax credits (MAT credit entitlements) of ₹ 46.88 Crores (Previous year ₹ 46.88 Crores) related to F.Y. 2010-11 and 2011-12 on account of prudence.

26 OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Liabilities Under Litigation		299.76	364.69	–	–
Less : Paid Under Protest		158.23	191.19	–	–
		141.53	173.50	–	–
Advances Received from Customers		–	–	50.73	75.36
Statutory Dues		–	–	87.89	86.55
Bonus Liability		–	–	9.59	10.11
Deferred Revenue		5.29	4.10	1.66	1.17
Others		4.89	4.89	–	–
Total		151.71	182.49	149.87	173.19

26.1 Movement of Deferred Revenue

Particulars	2018-19	2017-18
Opening Balance	5.27	1.37
Grants Received during the year	3.28	4.79
Less: Released to Statement of Profit & Loss	1.60	0.89
Closing Balance	6.95	5.27
Current portion	1.66	1.17
Non Current portion	5.29	4.10

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

27 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Loans Repayable on Demand			
From Banks			
Rupee Loans	27.1	15.96	7.45
Other Loans			
From Banks			
Buyers' Credit in Foreign Currency		–	14.31
Rupee Loan	27.2	0.91	–
Packing Credit in Indian Currency		8.35	15.00
Total		25.22	36.76
The above amount includes			
Secured Borrowings		16.87	7.45
Unsecured Borrowings		8.35	29.31
Total		25.22	36.76

27.1 Working Capital Loans from Banks are secured by way of first charge on hypothecation of Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on Movable and Immovable Property, Plant and Equipment and Intangible Assets of the Company's Cement Division.

27.2 The Rupee Loan is secured against Fixed Deposit with Bank.

28 TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Trade Payables for goods and services			
Total outstanding dues of creditors to micro enterprises and small enterprises	45	4.09	1.29
Total outstanding dues of creditors to other than micro enterprises and small enterprises		420.29	322.69
Total		424.38	323.98

29 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Products (including Excise Duty)	29.1 to 29.5	4,361.95	3,810.39
		4,361.95	3,810.39
Other Operating Revenues			
Incentives & Subsidies		18.65	18.35
Export Benefits		2.34	4.19
Income from Royalty		25.56	20.97
Insurance and Other Claims (Net)		1.91	3.10
Miscellaneous Sale		13.17	4.25
		61.63	50.86
Total		4,423.58	3,861.25

29.1 Effective 1st July, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses. Hence, revenue from operations for the year ended 31st March, 2019 are not comparable with previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

29.2 Disaggregated Revenue Information

a) Disaggregation of the Group's Revenue from Contracts with Customers:

Particulars	For the year ended 31st March, 2019				For the year ended 31st March, 2018			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Sale of Products								
Manufactured Goods	4,031.99	326.57	1.45	4,360.01	3,504.15	304.28	1.46	3,809.89
Traded Goods	1.61	0.33	–	1.94	–	0.50	–	0.50
Total Revenue from Contracts with Customers	4,033.60	326.90	1.45	4,361.95	3,504.15	304.78	1.46	3,810.39
Other Operating Revenues								
Incentives & Subsidies	17.80	0.85	–	18.65	17.57	0.78	–	18.35
Export Benefits	–	2.34	–	2.34	–	4.19	–	4.19
Income from Royalty	25.56	–	–	25.56	20.97	–	–	20.97
Insurance and Other Claims (Net)	1.91	–	–	1.91	3.10	–	–	3.10
Miscellaneous Sale	12.03	1.10	0.04	13.17	3.80	0.40	0.05	4.25
	57.30	4.29	0.04	61.63	45.44	5.37	0.05	50.86
Total Revenue from Operations	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25
Within India	4,086.96	301.75	1.49	4,390.20	3,535.37	261.34	1.51	3,798.22
Outside India	3.94	29.44	–	33.38	14.22	48.81	–	63.03
Total Revenue from Operations	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25
Timing of Revenue Recognition								
Goods or Services transferred at a point in time	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25
Total Revenue from Operations	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25

b) Reconciliation of the Revenue from Contracts with Customers with the amounts disclosed in the segment information :

Particulars	For the year ended 31st March, 2019				For the year ended 31st March, 2018			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Revenue								
External Sales	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25
Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	–	4.69	6.21
Total	4,091.65	331.20	6.73	4,429.58	3,551.11	310.15	6.20	3,867.46
Less : Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	–	4.69	6.21
Revenue from Operations	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25

29.3 Information about Receivables, Contract Assets and Contract Liabilities from Contracts with Customers :

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Trade Receivables	16	190.09	158.95
<u>Contract Liabilities</u>			
Advances from Customers	26	50.73	75.36

29.4 Reconciling the amount of Revenue recognised in the Statement of Profit and Loss with the Contracted Price :

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue as per contracted price (including Excise Duty)		4,656.49	4,050.56
Less: Sales Claims		0.44	0.14
Less: Rebate & Discounts		294.10	240.03
Total Revenue from Contracts with Customers		4,361.95	3,810.39
Other Operating Revenues		61.63	50.86
Revenue from Operations		4,423.58	3,861.25

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

29.5 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at Balance Sheet date are, as follows :

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Advances from Customers	26	50.73	75.36

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

30 OTHER INCOME

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest Income			
On Investments		0.80	0.80
On Banks Deposits		5.67	10.58
On Income Tax Refund		12.78	17.60
On Other Deposits, etc		1.99	1.04
Dividend Income		1.86	1.02
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss		21.77	19.91
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss		15.99	9.87
Other Non Operating Income			
Profit on sale/discard of Property, Plant and Equipment (Net)		2.05	2.04
Profit on revaluation of Live Stock		–	0.05
Profit on sale of Non Current Assets classified as Held for Sale		5.80	0.51
Excess Liabilities and Unclaimed Balances written back		4.59	9.10
Excess Provision written back		0.91	0.27
Excess Depreciation written back		0.01	0.07
Insurance and Other Claims (Net)		0.01	0.02
Miscellaneous Income		6.85	4.52
Total		81.08	77.40

31 COST OF MATERIALS CONSUMED

Raw Material Consumed		948.33	627.97
Total		948.33	627.97

32 PURCHASE OF STOCK IN TRADE

Traded Goods		1.45	0.45
Total		1.45	0.45

33 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year			
Finished Goods		98.26	116.49
Stock-In-Trade		–	–
Work-In-Progress		79.16	95.05
		177.42	211.54
Inventories at the end of the year			
Finished Goods		86.22	98.26
Stock-In-Trade		0.15	–
Work-In-Progress		74.23	79.16
		160.60	177.42
Change in Inventory		16.82	34.12

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

34 EMPLOYEE BENEFITS EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries & Wages		238.90	228.14
Contribution to Provident and Other Funds		25.88	27.29
Staff Welfare Expenses		8.51	9.08
		273.29	264.51
Less : Amount Capitalised		0.02	0.00
Total		273.27	264.51

35 FINANCE COST

Interest Expenses			
To Debenture Holders		62.27	62.27
To Banks on Term Loans, etc.		80.04	76.81
To Banks On Working Capital Loans		0.91	2.52
On Deposits and Others		17.75	16.48
Exchange Differences regarded as an adjustment to Borrowing Costs		17.45	7.20
Other Borrowing Costs			
Other Financial Charges		1.31	1.53
		179.73	166.81
Less : Amount Capitalised	35.1	1.67	1.60
Total		178.06	165.21

35.1 The capitalization rate for the general borrowing is 7.82% p.a. (Previous year 6.35% p.a.)

36 DEPRECIATION AND AMORTIZATION EXPENSES

On Tangible Assets		145.90	144.03
On Intangible Assets		2.62	2.02
On Investment Property		0.01	–
Total		148.53	146.05

37 OTHER EXPENSES

Manufacturing Expenses			
Stores & Spare Parts Consumed		174.78	154.68
Packing Materials Consumed		162.77	133.58
Power & Fuel		980.25	863.55
Royalty & Cess		67.00	53.40
Repairs to Buildings		13.37	12.56
Repairs to Machinery		53.37	45.92
Freight & Material Handling on Inter Unit Transfer		121.38	167.50
Increase/(Decrease) in Excise Duty & Cess on Finished Goods		–	(11.86)
Other Manufacturing Expenses		58.12	53.07
		1,631.04	1,472.40

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Selling and Administration Expenses			
Brokerage & Commission on Sales		32.89	25.30
Transport & Forwarding Expenses		945.38	794.19
Insurance		5.36	4.60
Rent		15.86	14.92
Repairs to Other Assets		3.07	3.41
Rates & Taxes		7.90	5.86
Advertisement		29.62	36.06
Corporate Social Responsibility Expenses	49	3.47	4.24
Auditors' Remuneration	37.1	0.69	0.58
Loss on Revaluation of Live Stock		0.10	–
Net (Gain)/Loss on Foreign currency transaction and translation	37.2	14.27	15.20
Diminution in value of Non Current Investment		–	0.01
Investment in Associates written off		0.01	–
Net Provision for doubtful debts/advances		1.99	0.33
Bad Debts		0.13	0.05
Directors' Fees		0.77	0.52
Other Expenses		85.64	71.00
		1,147.15	976.27
Total		2,778.19	2,448.67
37.1 Auditors' Remuneration			
a. Statutory Auditors			
Audit Fees		0.27	0.27
Tax Audit Fees		0.07	0.07
Limited Review		0.17	0.17
Travelling Expenses		0.02	0.02
Issue of Certificates		0.11	–
		0.64	0.53
b. Cost Auditors			
Audit Fees		0.05	0.04
Travelling Expenses		–	0.01
		0.05	0.05
Total		0.69	0.58
37.2 Net (Gain)/Loss on Foreign Currency Transaction and Translation			
Net (Gain)/Loss on foreign currency transaction and translation		18.05	7.47
Less: Amount Capitalized/(Decapitalized)		3.78	(2.35)
Add: Amortisation of Foreign Currency Monetary Item Translation Difference Account		–	5.38
Total		14.27	15.20
38 EXCEPTIONAL ITEM			
On account of Entry Tax Liability	38.1	–	12.48
Total		–	12.48

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

38.1 Entry Tax Liability under the West Bengal Tax on Entry of Goods into Local Areas Act, 2012 for the period 2012-13 to 2016-17.

39 TAX EXPENSE

	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Current Tax	39.1	40.26	27.84
Deferred Tax			
On Other Items		29.69	(7.26)
Less : MAT Credit Entitlement		27.17	17.17
		2.52	(24.43)
Income Tax for earlier years		(20.55)	(20.81)
Total		22.23	(17.40)

39.1 Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Comprehensive Income

Income before Income Taxes	39.2	160.01	97.73
Indian Statutory Income Tax Rate		34.944%	34.608%
Estimated Income Tax Expense		55.91	33.82
Tax Effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense :			
Deduction under Chapter VIA		(28.40)	(23.20)
Tax payable at different rate / Capital Gain		1.85	0.33
Deferred Tax Adjustment		6.48	(9.57)
Permanent Difference		7.20	7.34
Others		(0.26)	(5.31)
Income Tax for earlier years		(20.55)	(20.81)
		(33.68)	(51.22)
Income Tax Expense in the Statement of Profit and Loss		22.23	(17.40)

39.2 Applicable Indian Statutory Income Tax Rate for Fiscal Year 2019 and 2018 is 34.944% and 34.608% respectively. However, Company is required to pay tax u/s 115JB of Income Tax Act, 1961.

40 OTHER COMPREHENSIVE INCOME

40.1 Items that will not be reclassified to profit or loss

Remeasurement of the Defined Benefit Plans	5.2	0.77	7.44
Less: Tax expense on the above		0.27	2.60
		0.50	4.84
Revaluation Surplus		-	1,054.56
Less: Tax expense on the above		(0.74)	234.17
		0.74	820.39
Equity Instruments through Other Comprehensive Income		19.24	30.21
Less: Tax expense on the above		-	(38.08)
		19.24	68.29

40.2 Items that will be reclassified to profit or loss

Debt Instruments through Other Comprehensive Income		(0.24)	(0.64)
Less: Tax expense on the above		0.16	(0.22)
		(0.40)	(0.42)
Total Other Comprehensive Income for the year (Net of tax)		20.08	893.10

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

41 CONTINGENT LIABILITIES AND CONTINGENT ASSETS :
41.1 Claims/Disputes/Demands against the Company not acknowledged as debts -

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
a	Sales Tax, VAT, CST and Entry Tax matters	163.84	172.26
b	Excise Duty, Service Tax, Goods & Service Tax and Custom Duty matters	96.57	81.69
c	Income Tax matters	10.53	35.28
d	Electricity Duty and Renewable Energy Surcharge matters	21.52	21.52
e	Royalty on Limestone	67.91	67.91
f	Others (Primarily related to demand for Alleged Impermissible Mining, Water Supply Charges, Stamp Duty, House Tax, Education Cess etc.)	37.15	36.83

41.2 The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

41.3 In respect of the matters in note no. 41.1 to 41.2, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibility of any reimbursements to be made to the Company from any third party.

41.4 The Company has provided corporate guarantee in the nature of financial guarantee to the lenders of one of its wholly owned subsidiary amounting to ₹ 393.19 Crores (Previous Year ₹ 406.71 Crores) against the long term loans availed by the Subsidiary. As on the Balance Sheet date, the balance of such loans outstanding of ₹ 393.19 Crores (Previous Year ₹ 406.71 Crores).

41.5 Other Contingent Liabilities

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
a.	Bills discounted with Banks remaining outstanding	4.31	4.82
b.	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance License Scheme	1.49	1.15

42 The Board of Directors at its meeting held on 3rd May, 2019 have recommended a payment of final dividend of ₹ 7.50 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2019. The same amounts to ₹ 69.63 Crores (including dividend distribution tax of ₹ 11.87 Crores). The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a Liability.

43 Commitments
Capital Commitments

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	56.67	51.94

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

44 Assets pledged as security

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

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Current			
Financial Assets			
Trade Receivables	16	190.09	158.95
		190.09	158.95
Non-Financial Assets			
Inventories	14	588.16	528.41
Others	13	0.17	0.29
		588.33	528.70
Total Current Assets Pledged as Security		778.42	687.65
Non-Current			
Land	5	1,062.57	1,058.82
Buildings	5	175.80	166.16
Plant & Machinery	5	1,680.42	1,666.92
Others Tangible Assets	5	87.69	121.44
Other Non Current Assets	7 & 13	18.10	13.45
		3,024.58	3,026.79
Total Non-Current Assets Pledged as Security		3,024.58	3,026.79
Total Assets Pledged as Security		3,803.00	3,714.44

45 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year: <u>Trade Payable</u> Principal Interest <u>Other Financial Liability</u> Principal Interest	4.09 – – 0.30 –	1.29 – – – –
ii.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
iii.	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
v.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

46 Operating leases
46.1 As Lessee

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, manufacturing facilities, office, stores, godown, etc.) These leasing arrangements which are cancellable ranging between 11 months and 33 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

46.1.1 Future Minimum Lease Payments

At 31st March, the future minimum lease payments to be made under non-cancellable operating leases are as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Payables within one year	0.14	0.15
Payables later than one year but not later than five years	0.56	0.58
Payables later than five years	3.33	3.50

46.1.2 The Company has entered into leasing agreements under operating lease in respect of Land and Other Assets for original lease period ranging upto 33 years. Total operating lease expenses recognised in the Statement of Profit and Loss for the year is ₹ 15.86 Crores (previous year ₹ 14.92 Crores).

46.2 As Lessor

46.2.1 The Company leased out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in note no 6.

47 Earnings Per Share

Particulars	As at 31st March, 2019	As at 31st March, 2018
Profit for the year attributable to the owner of the Company	137.78	115.13
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic and diluted (₹) (Face value of ₹ 10/- per share)	17.89	14.95

48 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013:
48.1 Defined Contribution Plan :

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
a.	Provident Fund	1.00	1.00
b.	Superannuation Fund	3.30	3.49
c.	Pension Fund	6.88	6.95

48.2 Defined Benefit Plan

The following are the types of defined benefit plans :

48.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

48.2.2 Pension Plan

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

48.2.3 Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

48.2.4 Risk Exposure

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as Interest Rate Risk, Salary Risk and Demographic Risk.

- Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk :** Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

48.2.5 Reconciliation of the Net Defined Benefit Obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net Defined Benefit Obligation and its components :

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Balance at the beginning of the year	122.80	122.43	0.65	0.83
Current Service Cost	6.75	7.08	–	–
Interest Cost on Defined Benefit Obligation	8.64	8.26	0.04	0.05
Actuarial Gain and Losses arising from				
Changes in Demographic Assumptions	–	–	–	–
Changes in Financial Assumptions	1.60	(3.90)	0.01	(0.01)
Experience Adjustment	(2.38)	(2.18)	0.08	(0.10)
Benefits Paid	(15.17)	(8.89)	(0.12)	(0.12)
Balance at the end of the year	122.24	122.80	0.66	0.65

48.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Balance at the beginning of the year	125.42	114.97	–	–
Interest Income on Plan Assets	9.16	8.09	–	–
Remeasurement of Defined Benefit Obligation:				
Return on Plan Assets greater/ (lesser) than discount rate	0.08	1.25	–	–
Employer Contributions to the Plan	8.60	10.00	–	–
Benefits Paid	(15.17)	(8.89)	–	–
Balance at the end of the year	128.09	125.42	–	–

48.2.7 The amount recognised in the Balance Sheet

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Present value of Defined Benefit Obligation	122.24	122.80	0.66	0.65
Fair Value of Plan Assets	128.09	125.42	–	–
Net Asset/(Liability) recognised in the Balance Sheet	5.85	2.62	(0.66)	(0.65)

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

48.2.8 Expenses recognised in Profit and Loss

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Current Service Cost	6.75	7.08	–	–
Interest Cost	8.64	8.26	0.04	0.05
Interest Income on Plan Assets	(9.16)	(8.09)	–	–
Total Expenses recognised in Profit and Loss	6.23	7.25	0.04	0.05

48.2.9 Remeasurements (gain)/loss recognised in Other Comprehensive Income

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Actuarial (gain)/ loss on Defined Benefit Obligation	(0.78)	(6.08)	0.09	(0.11)
Return on Plan Assets (greater)/ lesser than discount rate	(0.08)	(1.25)	–	–
Total remeasurements (gain)/loss recognised in Other Comprehensive Income	(0.86)	(7.33)	0.09	(0.11)

48.2.10 Major Categories of Plan Assets

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Qualified Insurance Policy	100%	100%	–	–

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited and Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Ltd. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

48.2.11 Asset-Liability Matching Strategy

The Company's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investments are being managed by these Insurance Companies and at the year end interest is being credited to the fund value. The Company has not changed the process used to manage its risk from previous periods. The Company's investments are fully secured and would be sufficient to cover its obligations.

48.2.12 Actuarial Assumptions

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Financial Assumptions				
Discount Rate	7.30%	7.50%	7.30%	7.50%
Salary Escalation Rate	5% to 8%	5% to 8%	–	–
Demographic Assumptions				
Mortality Rate	IAL (2006-08) Modified Ultimate	IAL (2006-08) Modified Ultimate	LIC (1996-1998) Ultimate	LIC (1996-1998) Ultimate
Withdrawal Rate	2.00%	2.00%	–	–

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

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

48.2.14 As on 31st March, 2019, the weighted average duration of the Defined Benefit Obligation is 6 years (previous year 6 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Within 1 Year	16.81	17.88	0.10	0.11
1 to 2 Year	11.42	12.44	0.10	0.10
2 to 3 Year	12.37	11.58	0.10	0.10
3 to 4 Year	13.30	12.43	0.10	0.10
4 to 5 Year	14.32	13.35	0.10	0.10
More than 5 Years	77.42	75.98	0.41	0.46

48.2.15 The Company expects to contribute ₹ 2.00 Crores (previous year ₹ 2.59 Crores) to its gratuity fund in 2019-20.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Within next 12 months (next annual reporting period)	2.00	2.59	–	–
Between 2 and 5 years	5.00	4.00	–	–
Between 5 and 10 years	7.00	6.00	–	–
Beyond 10 years	10.00	10.00	–	–

48.2.17 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Effect on DBO due to 1% increase in Discount Rate	(7.59)	(7.12)	(0.03)	(0.03)
Effect on DBO due to 1% decrease in Discount Rate	8.70	8.13	0.03	0.03
Effect on DBO due to 1% increase in Salary Escalation Rate	8.63	8.02	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(7.62)	(7.15)	–	–

Sensitivity due to mortality and withdrawal rate are being insignificant, hence ignored.

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

48.2.18 Provident Fund

Provident fund for certain eligible employees is managed by the Company through the various Provident Fund Trusts, namely "M P Birla Group Provident Fund Institution", "Satna Cement Works Employees' Provident Fund Trust", "Birla Cement Works Staff Provident Fund Trust", "Birla Jute Mills Workers' Provident Fund Trust", "Soorah Jute Mills Employees' Provident Fund Trust", "Durgapur Cement Works Employees' Provident Fund Trust" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Trust has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall, except in one particular Trust, there is shortfall of ₹ 0.76 Crores and ₹ 0.85 Crores as at 31st March, 2019 and as at 31st March, 2018 respectively.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March, 2019	312.14	318.29	6.15
As at 31 March, 2018	293.31	299.41	6.10

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31st March, 2019	31st March, 2018
Discount Rate (per annum)	7.30%	7.50%
Expected Rate of Return on Plan Assets (per annum)	9.13%	9.50%

The Company contributed ₹ 6.13 crore and ₹ 5.66 Crore during the year ended 31st March, 2019 and 31st March, 2018 respectively.

- 49** In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by The Institute of Chartered Accountants of India the requisite disclosure are as follows:

49.1 Particulars	For the year ended on	
	31st March, 2019	31st March, 2018
Gross Amount Required to be spent by the company during the year	3.41	4.24
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR expenditure	NIL	NIL

- 49.2** Amount spent during the year on :

Sl. No.	Particulars	For the year ended on 31st March, 2019			For the year ended on 31st March, 2018		
		In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
i	Construction/ Acquisition of any asset	–	–	–	–	–	–
ii	On purposes other than (i) above	3.45	0.02	3.47	4.23	0.01	4.24

- 50** The Board of Directors of the Company at its meeting held on 25th July, 2013 had approved the Scheme of Amalgamation to amalgamate Talavadi Cements Limited, a 98% subsidiary, with the Company with an appointed date of 1st April, 2013. The Scheme is pending for approval of the National Company Law Tribunal, Kolkata.
- 51** In view of decision of Hon'ble Supreme Court dated 24th September 2014, the allocation of Bikram Coal Block to the Company was cancelled. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Act, 2015, which inter alia provides for compensation to prior allottees against expenditure incurred on the cancelled coal block. The Company has submitted its claim for compensation of amount incurred on Coal Block amounting to ₹ 16.10 Crores, against which ₹ 3.27 Crores has been refunded during the year. Consequential adjustment shall be made on settlement of the balance claim.
- 52** Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- 53.1** The Company's Unit Soorah Jute Mills is under Suspension of Operations since 29th March, 2004.
- 53.2** The Company's Unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.
- 53.3** In respect of mining matter of Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing. Further, Principal Bench of National Green Tribunal on 8th March, 2019 has ordered to stop all mining activities which are being carried on within the municipal limites of Chittorgarh City and within 10 km of Bassi Wild Life Sanctuary or within Eco-Sensitive Zone of Bassi Wild Life Sanctuary, if finally notified. In the opinion of the management, there is no material impact of such order on the current mining operations of the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

54 Fair Value Measurement:

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.

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

54.1.1 The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.

54.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

54.1.3 The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

54.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the Standalone Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

54.3 The following table provides classification of financial instruments and the fair value hierarchy of the Company's assets and liabilities:

(a) Disclosure for the year ended 31st March, 2019

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.00	0.00	—	—	—
Trade Receivables	190.09	190.09	—	—	—
Loan Receivables	2.97	2.97	—	—	—
Cash and Cash Equivalents	65.93	65.93	—	—	—
Other Bank Balances	41.53	41.53	—	—	—
Security Deposits	34.73	34.73	—	—	—
Other Deposits and Advances	5.88	5.88	—	—	—
Interest Accrued on Deposits	1.91	1.91	—	—	—
Fixed Deposits maturing after 12 months from Balance Sheet date	0.48	0.48	—	—	—
Other Financial Assets	2.37	2.37	—	—	—
Incentive and Subsidy Receivable	183.36	183.36	—	—	—
Sub Total	529.25	529.25	—	—	—
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	117.48	117.48	—	—	117.48
- Mutual Funds	496.78	496.78	496.78	—	—
Derivative Instrument	—	—	—	—	—
Sub Total	614.26	614.26	496.78	—	117.48

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	269.15	269.15	269.15	–	–
- Unlisted Equity Instrument	0.06	0.06	–	–	0.06
- Bonds and Debentures	7.20	7.20	7.20	–	–
- Government Securities	1.00	1.00	1.00	–	–
Sub Total	277.41	277.41	277.35	–	0.06
Total Financial Assets	1,420.92	1,420.92	774.13	–	117.54
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	680.00	689.53	–	–	689.53
Floating Rate					
- Rupee Term Loan	866.73	866.73	–	–	–
- Foreign Currency Term Loan	274.99	274.99	–	–	–
- Finance Lease Obligation	0.13	0.13	–	–	–
Others - Rupee Term Loan	7.07	7.07	–	–	–
Short Term Borrowings	25.22	25.22	–	–	–
Trade Payables	424.38	424.38	–	–	–
Trade & Security Deposits	347.31	347.31	–	–	–
Amount Payable for Capital Goods	11.60	11.60	–	–	–
Interest accrued but not due on Borrowings	28.16	28.16	–	–	–
Employees Related Liabilities	21.87	21.87	–	–	–
Other Financial Liabilities	191.01	191.01	–	–	–
Sub Total	2,878.47	2,888.00	–	–	689.53
Financial Liabilities at fair value through Profit & Loss					
Derivative Instrument	6.17	6.17	–	6.17	–
Sub Total	6.17	6.17	–	6.17	–
Total Financial Liabilities	2,884.64	2,894.17	–	6.17	689.53

(b) Disclosure for the year ended 31st March, 2018

(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.00	0.00	–	–	–
Trade Receivables	158.95	158.95	–	–	–
Loan Receivables	4.19	4.19	–	–	–
Cash and Cash Equivalents	89.09	89.09	–	–	–
Other Bank Balances	110.98	110.98	–	–	–
Security Deposits	30.21	30.21	–	–	–
Other Deposits and Advances	2.82	2.82	–	–	–
Interest accrued on Deposits	2.59	2.59	–	–	–
Fixed Deposits maturing after 12 months from Balance Sheet date	0.86	0.86	–	–	–
Other Financial Assets	2.37	2.37	–	–	–
Incentive and Subsidy Receivable	188.43	188.43	–	–	–
Sub Total	590.49	590.49	–	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	108.39	108.39	-	-	108.39
- Mutual Funds	412.77	412.77	412.77	-	-
- Derivative Instrument	0.56	0.56	-	0.56	-
Sub Total	521.72	521.72	412.77	0.56	108.39
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	249.93	249.93	249.93	-	-
- Unlisted Equity Instrument	0.06	0.06	-	-	0.06
- Bonds and Debentures	7.44	7.44	7.44	-	-
- Government Securities	1.00	1.00	1.00	-	-
Sub Total	258.43	258.43	258.37	-	0.06
Total Financial Assets	1,370.64	1,370.64	671.14	0.56	108.45
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	680.00	687.96	-	-	687.96
Floating Rate					
- Rupee Term Loan	594.65	594.65	-	-	-
- Foreign Currency Term Loan	566.83	566.83	-	-	-
- Finance Lease Obligation	0.13	0.13	-	-	-
- Others - Rupee Term Loan	2.88	2.88	-	-	-
Short Term Borrowings	36.76	36.76	-	-	-
Trade Payables	323.98	323.98	-	-	-
Trade & Security Deposits	293.80	293.80	-	-	-
Amount Payable for Capital Goods	14.08	14.08	-	-	-
Interest accrued but not due on Borrowings	28.85	28.85	-	-	-
Employees Related Liabilities	17.64	17.64	-	-	-
Other Financial Liabilities	244.17	244.17	-	-	-
Total Financial Liabilities	2,803.77	2,811.73	-	-	687.96

54.4 Description of significant unobservable inputs to Valuation

Particulars	Significant Unobservable Inputs	Fair value as at		Sensitivity of the input to fair value
		31st March, 2019	31st March, 2018	
Unquoted Preference Shares	Risk Adjusted Discount Rate (11.61%, Previous Year: 10.68%)	117.48	108.39	Increase in Risk adjusted discount rate by 50 bps would lead to a decrease in fair value by ₹ 1.14 Crores (Previous Year: ₹ 1.53 Crores) whereas a decline by 50 bps would increase the fair value by ₹ 1.16 Crores (Previous Year: ₹ 1.56 Crores).

54.5 During the year ended 31st March, 2019 and 31st March, 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

55 Financial Risk Management

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Board of Directors. The different types of risk impacting the fair value of financial instruments are as below:

55.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

a) Trade Receivables
As at 31st March, 2019

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	32.67	119.25	12.41	6.08	31.18
Expected loss rate	0.00%	0.00%	0.00%	0.00%	36.88%
Expected credit losses (Loss allowance provision)	–	–	–	–	11.50
Carrying amount of trade receivables (net of impairment)	32.67	119.25	12.41	6.08	19.68

As at 31st March, 2018

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	23.03	99.43	13.65	3.39	31.50
Expected loss rate	0.00%	0.00%	0.00%	0.00%	38.26%
Expected credit losses (Loss allowance provision)	–	–	–	–	12.05
Carrying amount of trade receivables (net of impairment)	23.03	99.43	13.65	3.39	19.45

Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2018-19	2017-18
Loss allowance as at beginning	12.05	11.99
Changes in loss allowance (Net)	(0.55)	0.06
Loss allowance as at Year end	11.50	12.05

There are no customer (Previous Year 1) who represents more than 10% of the total balance of trade receivables.

55.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

55.2.1 Maturity Analysis for financial liabilities

(a) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2019:

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	424.38	–	–	–	424.38
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	–	250.00	250.00
1500 9.15% NCD 2021	–	–	–	150.00	–	150.00
1300 9.05% NCD 2020	–	–	–	130.00	–	130.00
1500 9.10% NCD 2020	–	–	150.00	–	–	150.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	7.84	7.84	410.62	445.86	872.16
Foreign Currency Term Loan (Refer Note No. 22.1 (c))	–	–	69.16	207.48	–	276.64
Rupee Term Loan from other (Refer Note No. 22.1 (d))	–	–	–	–	11.91	11.91
Finance lease obligations (Refer Note No. 22.2)	–	0.00	0.01	0.04	0.08	0.13
Short Term Borrowings	15.96	9.26	–	–	–	25.22
Other financial liabilities						
Trade & Security Deposits*	0.10	–	–	–	347.21	347.31
Amount Payable for Capital Goods	–	11.60	–	–	–	11.60
Interest accrued but not due on Borrowings	–	22.57	5.59	–	–	28.16
Employees Related Liabilities	–	21.87	–	–	–	21.87
Others Financial Liabilities	1.48	181.68	–	7.86	–	191.02
Total	17.54	679.20	232.60	906.00	1,055.06	2,890.40
Derivative						
Foreign Exchange forwards contracts	–	3.53	2.64	–	–	6.17

* Based on management assumption.

(b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2018:

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	323.98	–	–	–	323.98
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	–	250.00	250.00
1500 9.15% NCD 2021	–	–	–	150.00	–	150.00
1300 9.05% NCD 2020	–	–	–	130.00	–	130.00
1500 9.10% NCD 2020	–	–	–	150.00	–	150.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	–	5.03	250.06	344.91	600.00
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	120.68	6.62	443.52	–	570.82

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Rupee Term Loan from other (Refer Note No. 22.1 (d))	–	–	–	–	5.24	5.24
Finance lease obligations (Refer Note No. 22.2)	–	0.00	0.01	0.04	0.08	0.13
Short Term Borrowings	7.45	29.31	–	–	–	36.76
Other financial liabilities						
Trade & Security Deposits*	–	0.02	0.07	–	293.71	293.80
Amount Payable for Capital Goods	–	14.08	–	–	–	14.08
Interest accrued but not due on borrowings	–	23.26	5.59	–	–	28.85
Employees Related Liabilities	–	17.64	–	–	–	17.64
Others Financial Liabilities	1.40	234.92	–	7.85	–	244.17
Total	8.85	763.89	17.32	1,131.47	893.94	2,815.47

* Based on management assumption.

- (c) The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

55.3 Market Risk

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 four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

55.3.1 Commodity Price Risk

The Company primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

55.3.2 Foreign Currency Risk

The Company has Foreign Currency Exchange Risk on imports of input materials, capital equipments and also borrows funds in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

(a) Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

i) Unhedged Foreign Currency Exposure

(Amount in Crores)

Particulars	As at 31st March, 2019			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	–	–	–	–
Financial Liabilities				
Foreign Currency Term Loan	2.40	165.98	–	–
Trade Payables & Others (*)	0.03	2.28	0.01	0.54
Net Exposure (Liability)	2.43	168.26	0.01	0.54

(*) Does not includes CHF 3,060 and GBP 4,900 equivalent to ₹ 0.02 Crore and ₹ 0.04 Crore respectively.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Crores)

Particulars	As at 31st March, 2018			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	-	-	0.00	0.15
Financial Liabilities				
Foreign Currency Term Loan	5.15	335.68	-	-
Trade Payables & Others (*)	0.00	0.08	0.01	1.04
Net Exposure (Liability)	5.15	335.76	0.01	0.89

(*) Does not includes CHF 3,060 and GBP 2,450 equivalent to ₹ 0.02 Crore and ₹ 0.02 Crore respectively.

II) Hegde Foreign Currency Exposure

(Amount in Crores)

Particulars	As at 31st March, 2019					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.05	3.46	-	-	-	-
Forward Contract against Firm Commitments	0.02	1.66	-	-	-	-
Derivative Liabilities						
Forward Contract - Against Payable	2.32	160.38	0.02	1.24	-	-
Forward Contract - Against Firm Commitments	1.33	91.84	0.03	2.25	-	-
Net Exposure (Liability)	3.58	247.10	0.05	3.49	-	-

Particulars	As at 31st March, 2018					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.14	8.98	-	-	-	-
Forward Contract against Firm Commitments	0.05	3.40	-	-	-	-
Derivative Liabilities						
Forward Contract - Against Payable	4.27	278.43	0.05	3.67	-	-
Forward Contract - Against Firm Commitments	0.02	1.09	0.02	1.43	0.00	0.91
Net Exposure (Liability)	4.10	267.14	0.07	5.10	0.00	0.91

- (b) The company uses interest rate swaps to hedge the Interest rate of External Commercial Borrowings of USD 10 Mn. (Previous Year USD 10 Mn.)

(c) **Sensitivity Analysis**

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure. The following table demonstrates the sensitivity in the USD, EUR, CHF and GBP to the Indian Rupee with all other variables held constant.

Particulars	31st March, 2019			31st March, 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
USD Sensitivity Increase	5%	(8.41)	(5.47)	5%	(16.79)	(13.21)
USD Sensitivity Decrease	5%	8.41	5.47	5%	16.79	13.21
EUR Sensitivity Increase	5%	(0.03)	(0.02)	5%	(0.04)	(0.04)
EUR Sensitivity Decrease	5%	0.03	0.02	5%	0.04	0.04

Sensitivity analysis for CHF and GBP are insignificant, hence ignored.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

55.3.3 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and Investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

Particulars	31st March, 2019	31st March, 2018
Fixed Rate Instruments		
Financial Assets	–	–
Financial Liabilities	680.00	680.00
	680.00	680.00
Variable Rate Instruments		
Financial Assets	–	–
Financial Liabilities	1,148.80	1,170.82
	1,148.80	1,170.82

b) Interest rate Sensitivity

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity:

Particulars	31st March, 2019			31st March, 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Interest Rate Increase by	0.50%	(5.74)	(3.74)	0.50%	(5.85)	(4.60)
Interest Rate Decrease by	0.50%	5.74	3.74	0.50%	5.85	4.60

55.3.4 Other Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Company, fluctuation in their prices are considered acceptable and do not warrant any management.

a) Exposure to other market price risk

Particulars	31st March, 2019	31st March, 2018
Investment in Equity Instruments - quoted	269.15	249.93
Investment in Mutual Funds	496.78	412.77
Investment In Bonds	7.20	7.44
Investment in Government Securities	1.00	1.00
	774.13	671.14

b. Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2019			31st March, 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Market rate Increase	5%	38.71	25.18	5%	33.56	26.40
Market rate Decrease	5%	(38.71)	(25.18)	5%	(33.56)	(26.40)

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

56 Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings net of lease obligation less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March, 2019	31st March, 2018
Debt Equity Ratio	0.20	0.22

57 Government grants during the year comprising Incentive and Subsidies include:

- 57.1** Tax incentive for capital investments under various State Investment Promotion Schemes of ₹ 16.79 Crores (Previous Year ₹ 17.20 Crores).
- 57.2** Amortisation of the deferred revenue of ₹ 0.69 Crore (Previous Year ₹ 0.04 Crore) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.
- 57.3** Amortisation of the deferred revenue of ₹ 0.91 Crore (Previous Year ₹ 0.85 Crore) on account of investment in plant & machineries under various State Investment Promotion Schemes.
- 57.4** Renewable energy certificates for generation of power from solar power plant under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 of ₹ 0.26 Crores (Previous Year ₹ 0.26 Crore).

58 Segment Reporting

A) Primary Segment Information

Particulars	2018-19				2017-18			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
(a) External Sales	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25
(b) Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	–	4.69	6.21
Total	4,091.65	331.20	6.73	4,429.58	3,551.11	310.15	6.20	3,867.46
Less : Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	–	4.69	6.21
Revenue from Operations	4,090.90	331.19	1.49	4,423.58	3,549.59	310.15	1.51	3,861.25
Segment Result	314.88	10.50	(2.88)	322.50	230.05	17.26	(2.61)	244.70
Add:								
(i) Interest Income				21.24				30.02
(ii) Unallocated Income net of unallocated Expense				(5.67)				(11.78)
Less :								
(i) Interest Expense				178.06				165.21
Profit before Tax				160.01				97.73
Tax Expenses								
Current Tax				40.26				27.84
Deferred Tax				2.52				(24.43)
Income Tax for earlier years				(20.55)				(20.81)
Profit after tax				137.78				115.13

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	2018-19				2017-18			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Other Information								
Segment Assets	3,314.25	939.74	146.59	4,400.58	3,191.46	940.89	147.02	4,279.37
Unallocated assets				3,399.87				3,386.06
Total Assets				7,800.45				7,665.43
Segment Liabilities	936.46	25.80	1.55	963.81	858.34	25.63	1.32	885.29
Unallocated liabilities				2,610.67				2,651.69
Total Liabilities				3,574.48				3,536.98
Segment Capital Expenditure	138.89	7.53	0.06	146.48	153.49	6.36	2.75	162.60
Common Capital Expenditure				5.79				6.42
Total Capital Expenditure				152.27				169.02
Segment Depreciation	135.99	8.62	1.06	145.67	134.05	8.51	0.98	143.54
Common Depreciation				2.86				2.51
Total Depreciation				148.53				146.05

B) Secondary (Geographical) Segment Information

Geographical segment is identified as the secondary segment and details are given below:

Particulars	2018-19	2017-18
1. Revenue from external customers		
– Within India	4,390.20	3,798.22
– Outside India	33.38	63.03
Total	4,423.58	3,861.25

2. The company does not have any tangible, intangible assets and non current operating assets located outside India.

3. During the year as well as previous year, No customer contributed 10% or more to the company's revenue from operations.

C) Other Disclosures

The Company's operations predominantly relate to Cement and other products are Jute Goods, Auto Trims and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in the standalone financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policy of the company.

59 Related Party Disclosures
59.1 As defined in Indian Accounting Standard(Ind AS)-24, the Company has a related party relationship in the nature of control over its subsidiaries namely:

Name of the Entity	Place of Incorporation	Ownership Interest held by the Company	
		31st March, 2019	31st March, 2018
Birla Corporation Cement Manufacturing PLC (Under Voluntary Winding-up)	Ethiopia	100%	100%
Birla Jute Supply Company Limited	India	100%	100%
Talavadi Cements Limited	India	98.01%	98.01%
Lok Cement Limited	India	100%	100%
Budge Budge Floorcoverings Ltd.	India	100%	100%
Birla Cement (Assam) Ltd.	India	100%	100%
M. P. Birla Group Services Pvt. Ltd.	India	100%	100%
RCCPL Private Limited (Formerly Known as Reliance Cement Co. Pvt. Ltd.)	India	100%	100%

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

59.2 Other related parties with whom transactions have taken place during the year and previous year are:

Nature	Name of the Company	
Entities exercising significant influence over the Company	Vindhya Telelinks Ltd.	
	August Agents Ltd.	
	Insilco Agents Ltd.	
	Laneseda Agents Ltd.	
Nature	Name of the Company	
Associates	Birla Readymix Private Limited (Dissolved w.e.f. 7th February, 2019)	
	Birla Odessa Industries Private Limited (Dissolved w.e.f. 18th January, 2019)	
Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Bachh Raj Nahar	Managing Director
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor
	Mr. Vikram Swarup	Directors
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon	
	Mr. Dhruba Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
	Mr. Dilip Ganesh Karnik	
Nature	Name of the Company	
Post Employment Benefit Plan Trust	Satna Cement Works Employees' Provident Fund	
	Soorah Jute Mills Employees' Provident Fund Trust	
	M P Birla Group Provident Fund Institution	
	Birla Cement Works Staff Provident Fund	
	Birla Jute Mills Workers' Provident Fund Trust	
	Durgapur Cement Works Employees' Provident Fund	
	Birla Corporation Limited, Employees Gratuity Fund	
	Birla DLW Ltd. Employees Gratuity Fund	
	Birla Corporation Superannuation Fund	

59.3 Transactions during the year

Particulars	2018-19					2017-18				
	Subsidiaries	Associates	Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust	Subsidiaries	Associates	Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust
Sales of goods/services provided	193.83	–	0.04	–	–	68.72	–	–	–	–
Purchase of goods/ services received	288.37	–	1.09	–	–	60.64	–	0.65	–	–
Investment in Equity Shares	–	–	–	–	–	18.74	–	–	–	–
Gain on restatement of investment in Preference Shares (Mark to Market)	9.09	–	–	–	–	5.82	–	–	–	–
Payment of rent	0.09	–	–	–	–	0.09	–	–	–	–
Receipt of rent	0.00	–	0.06	–	–	0.00	–	0.06	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	2018-19					2017-18				
	Subsidiaries	Associates	Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust	Subsidiaries	Associates	Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust
Advances given	0.42	–	–	–	–	0.29	0.00	–	–	–
Advances recovered	0.41	–	–	–	–	0.72	–	–	–	–
Advances written off	–	–	–	–	–	–	0.00	–	–	–
Interest income	0.04	–	–	–	–	0.03	–	–	–	–
Provision for doubtful advances	1.36	–	–	–	–	–	–	–	–	–
Paid to Trust-Employees Provident Fund Contribution	–	–	–	–	6.13	–	–	–	–	5.66
Paid to Trust-Employees Gratuity Fund Contribution	–	–	–	–	8.60	–	–	–	–	10.00
Paid to Trust-Employees Superannuation Fund Contribution	–	–	–	–	3.23	–	–	–	–	3.49
Remuneration, Perquisites & Others (Refer Note No. 59.3.1)	–	–	–	6.99	–	–	–	–	6.00	–
Change in the Corporate Guarantee	(13.52)	–	–	–	–	(218.76)	–	–	–	–
Dividend Paid	–	–	15.86	–	–	–	–	15.86	–	–
Dividend Received	–	–	0.00	–	–	–	–	0.00	–	–

59.3.1 Key Management Personnel compensation

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Short-Term Employee Benefits	5.58	4.86
Post-Employment Benefits	0.52	0.51
Long-Term Employee Benefits	0.12	0.11
Director's sitting fees	0.77	0.52
Total Compensation	6.99	6.00

59.4 Balance Outstanding as at the balance sheet date

Particulars	31st March, 2019	31st March, 2018
Trade Payables		
Entities exercising significant influence over the Company	0.02	0.03
Provision for Employees benefit		
Post employment benefit plan Trust	0.52	2.29
Trade Receivables		
Subsidiaries	12.91	28.56
Other Receivables		
Subsidiaries	–	0.24
Entities exercising significant influence over the Company	–	0.01
Advances Given		
Subsidiaries	2.78	2.73
Corporate Guarantee Outstanding		
Subsidiaries	393.19	406.71
Provision for Doubtful Advances		
Subsidiaries	1.43	0.07
Short-term employee benefits		
Key Management Personnel	0.80	0.61

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

59.5 Terms and Conditions of transactions with Related Parties :

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances as well as Corporate Guarantee issued to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Company has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

60 Previous year figures have been regrouped/rearranged/reclassified wherever necessary. Further, there are no material regroupings/reclassifications during the year.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

Salient Features of the Financial Statement of subsidiaries/ associate companies
Part "A": Subsidiaries

(₹ in Crores)

Sl. No.	Name of the Subsidiary	RCCPL Pvt. Ltd.	Birla Jute Supply Co. Ltd.	Talavadi Cements Ltd.	Lok Cements Ltd.	Budge Budge Floor Covering Ltd.	Birla Cement (Assam) Ltd.	M.P. Birla Group Services Pvt. Ltd.
1.	Share Capital	312.82	0.06	6.00	1.00	4.00	0.05	0.02
2.	Reserve & Surplus	2225.33	1.25	2.99	(3.40)	(2.22)	(0.02)	(0.01)
3.	Total Assets	5934.61	1.39	9.19	0.33	1.98	0.03	0.01
4.	Total Liabilities	3396.46	0.08	0.20	2.72	0.19	0.00	0.00
5.	Investments	100.88	–	1.51	–	0.16	–	–
6.	Turnover	2396.36	–	0.72	–	0.09	–	–
7.	Profit before Taxation	157.65	0.05	0.25	(0.05)	(0.17)	0.00	0.00
8.	Provision for Taxation	39.44	0.01	0.10	–	(0.02)	–	–
9.	Profit After Taxation	118.22	0.04	0.16	(0.05)	(0.15)	0.00	0.00
10.	Proposed Dividend	–	–	–	–	–	–	–
11.	% of Shareholding	100%	100%	98.01%	100%	100%	100%	100%

- Note :**
- None of the subsidiaries have reporting period different from the holding company.
 - None of the above mentioned subsidiaries are foreign subsidiaries.
 - Subsidiaries which are yet to commence operations.
 - Lok Cements Limited.
 - Birla Cements (Assam) Limited.
 - M P Birla Group Services Pvt. Limited.
 - Subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates

Name of the Associates	Birla Readymix Private Limited	Birla Odessa Industries Private Limited
1. Latest audited Balance Sheet Date	23rd May, 2017	23rd May, 2017
2. Shares of Associates held by the company on the year end		
a. Number of Shares	NA	NA
b. Amount of Investment in Associates	NA	NA
c. Extend of Holding %	NA	NA
3. Reasons why the associate is not considered	The Company dissolved w.e.f. 7th February, 2019	The Company dissolved w.e.f. 18th January, 2019
4. Networth attributable to Shareholding as per latest audited Balance Sheet	(0.32)	(0.05)
5. Profit/ Loss for the year		
i. Considered in consolidation	NA	NA
ii. Not considered in Consolidation	0.00	0.00

Note :

- Associates which are yet to commence operations: NA
- Both the associates dissolved during the year.
- Significant influence is demonstrated by holding 20% or more of the voting power of the investees.

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

Date : 3rd May, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **BIRLA CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2019 and the consolidated Statement of Profit & Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement 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 "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, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs (financial position) of the Group as at 31st March, 2019, its profit (financial performance including other comprehensive income), its cash flows and changes in equity 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. 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 ethical 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 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 the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Recoverability of MAT Credit Entitlement in future - Relating to Group:</p> <p>The Group has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, estimation long-term future profitability, future revenue from proposed projects and tax regulations and developments.</p> <p>As a result, the recognition of the deferred tax asset on above was significant to our audit.</p> <p>The disclosures relating to the above are included in Note no 25 of the consolidated financial statements.</p>	<p>Audit procedures included, among others, review of:</p> <ul style="list-style-type: none"> • The appropriateness of the methodology applied by the Group with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits. • The likelihood of the Group to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalisations and depreciation allowance thereon and future estimates of taxable income. • The adequacy of the Group's disclosures in the financials on deferred tax assets and assumptions used.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information

comprises the information included in the Directors' Report and Management Discussion and Analysis, Business Responsibility Report and the Report on Corporate Governance, but does not include the consolidated financial statements and our auditor's 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 the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective board of the Companies included in the Group are responsible for maintenance of the 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; 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.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 the Board of Directors 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 also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of 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 Holding Company and its subsidiary companies 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 auditor's 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. 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.

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 consolidated 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.

Other Matters

- We did not audit the financial statements of six subsidiaries whose financial statements reflect the total assets of Rs. 12.91 crores as at 31st March, 2019, total revenues of Rs. 1.04 crores and net cash flow amounting of Rs. (-) 0.27 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the 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-section (3) 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.
- The consolidated financial statements does not include the two associate companies which have been voluntary wound up under the provisions of the Companies Act, 2013 and appropriately adjusted in the accounts.

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

Report on Other Legal and Regulatory Requirements

- As required by section 143(3) of the Act, we report to the extent applicable that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules made thereunder;
- e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2019 and taken on record by the Board of Directors of the Holding Company and the reports of Statutory Auditors of its subsidiary companies, none of the Directors of the Group Companies, is disqualified as on 31st 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 Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditor's report of the Holding Company and a Subsidiary Companies.
- 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 Group 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on financial statements of the subsidiaries:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 41.1 to 41.5 to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and its subsidiary Companies.

For V. Sankar Aiyar & Co.

Chartered Accountants
(Firm Registration No: 109208W)

(M.S. BALACHANDRAN)

Partner

(Membership No: 024282)

Place : Kolkata

Date : 3rd May, 2019

Annexure-A referred to in the Independent Auditors' report to the Members of Birla Corporation Limited on the consolidated accounts for the year ended 31st March, 2019.

We have audited the internal financial controls over financial reporting of **BIRLA CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group"), as of 31st March, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit and those conducted by other auditors. We and other auditors conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by ICAI. Those Standards and the Guidance Note require that ourselves and other auditors (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.

The audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

The 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us and based on the reports of other auditors, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 issued by the ICAI.

Other Matter

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal finance controls over financial reporting in so far as it relates to six subsidiary companies is based on the corresponding reports of the other auditors of the subsidiary companies. Our opinion is not qualified in respect of this matter.

For V. Sankar Aiyar & Co.

Chartered Accountants
(Firm Registration No: 109208W)

(M.S. BALACHANDRAN)

Partner

Place : Kolkata

Date : 3rd May, 2019

(Membership No: 024282)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Crores)

	Note No.	As at 31st March, 2019		As at 31st March, 2018	
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	6	6,293.10		6,372.62	
Capital Work-In-Progress	6	911.94		759.94	
Investment Property	7	0.17		0.18	
Goodwill on Consolidation		0.03		0.15	
Intangible Assets	8	970.13		994.90	
Intangible Assets under Development	8	2.11		2.36	
Biological Assets other than Bearer Plants	9	0.87		0.92	
Financial Assets					
Investments	10	276.41		258.45	
Loans	11	0.38		0.36	
Other Financial Assets	12	108.35		93.06	
Non-Current Tax Asset (Net)		78.24		36.69	
Other Non-Current Assets	13	185.37	8,827.10	101.00	8,620.63
CURRENT ASSETS					
Inventories	14	783.02		686.96	
Financial Assets					
Investments	15	600.32		413.70	
Trade Receivables	16	262.20		191.45	
Cash and Cash Equivalents	17	89.43		107.88	
Bank Balances other than Note 17	18	49.53		111.94	
Loans	11	1.24		1.18	
Other Financial Assets	12	461.29		611.84	
Current Tax Asset (Net)		-		53.35	
Other Current Assets	13	256.85		275.21	
Non-Current Assets classified as Held for Sale	19	0.63	2,504.51	0.42	2,453.93
Total Assets			11,331.61		11,074.56
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	20	77.01		77.01	
Other Equity	21	4,418.21	4,495.22	4,202.81	4,279.82
Non-Controlling Interest			0.04		0.03
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	22	3,623.21		3,829.77	
Other Financial Liabilities	23	488.63		407.43	
Provisions	24	42.13		38.15	
Deferred Tax Liabilities (Net)	25	742.22		744.85	
Non-Current Tax Liabilities (Net)		3.30		0.56	
Other Non-Current Liabilities	26	151.71	5,051.20	182.51	5,203.27
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	27	25.22		65.30	
Trade Payables	28				
- Total outstanding dues of micro enterprises and small enterprises		7.30		1.47	
- Total outstanding dues of creditors other than micro enterprises and small enterprises		620.01		509.74	
Other Financial Liabilities	23	876.88		731.32	
Other Current Liabilities	26	237.31		268.41	
Provisions	24	11.69		11.05	
Current Tax Liabilities (Net)		6.74	1,785.15	4.15	1,591.44
Total Equity & Liabilities			11,331.61		11,074.56
Basis of Preparation	2				
Basis of Consolidation	3				
Significant Accounting Policies	4				
Significant Judgements and Key Estimates	5				
The notes are an integral part of the Consolidated Financial Statements					

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
INCOME			
Revenue from Operations	29	6,548.73	5,938.93
Other Income	30	78.47	74.01
Total Income		6,627.20	6,012.94
EXPENSES			
Cost of Materials Consumed	31	961.25	786.67
Purchases of Stock-in-Trade	32	1.45	0.45
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	33	(20.91)	46.36
Excise Duty		-	208.96
Employee Benefits Expense	34	370.63	357.34
Finance Costs	35	370.52	377.64
Depreciation and Amortisation Expense	36	339.12	332.16
Other Expenses	37	4,287.70	3,731.04
Total Expenses		6,309.76	5,840.62
Profit before Exceptional Items and Tax		317.44	172.32
Exceptional Items	38	-	12.48
Profit before Tax		317.44	159.84
Tax Expense :	39		
Current Tax		84.56	44.59
Deferred Tax		(2.26)	(17.89)
Income Tax for earlier years		(20.56)	(20.81)
		61.74	5.89
Profit for the year before share in Profit of Associates and Non-Controlling Interest		255.70	153.95
Less: Share of Profit/(Loss) of Associates (Net of Tax Expenses)		-	-
Profit for the year		255.70	153.95
Profit attributable to:			
Owners of the Parent		255.69	153.94
Non-controlling Interest		0.01	0.01
Other Comprehensive Income	40		
A Items that will not be reclassified to profit or loss		19.93	1,092.76
Income tax relating to these Item		0.52	(198.82)
		20.45	893.94
B. Items that will be reclassified to profit or loss		(0.24)	(0.64)
Income tax relating to these items		(0.16)	0.22
		(0.40)	(0.42)
Other Comprehensive Income for the year (Net of Tax)		20.05	893.52
Other Comprehensive Income attributable to:			
Owners of the Parent		20.05	893.52
Non-controlling Interest		-	-
Total Comprehensive Income for the year		275.75	1,047.47
Total Comprehensive Income attributable to:			
Owners of the Parent		275.74	1,047.46
Non-controlling Interest		0.01	0.01
Earnings Per Share (Face value of ₹ 10/- each)			
Basic & Diluted (₹)	47	33.21	19.99
Basis of Preparation	2		
Basis of Consolidation	3		
Significant Accounting Policies	4		
Significant Judgements and Key Estimates	5		
The Notes are an integral part of the Consolidated Financial Statements			

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash Flow from Operating Activities:		
Profit after Exceptional Items & before Tax	317.44	159.84
Adjustments for :		
Depreciation & Amortisation	339.12	332.16
Investing Activities (Net)	(57.05)	(54.60)
Provision for doubtful debts	0.63	0.33
Bad debts	0.13	0.05
(Profit)/Loss on sale/ discard of Property, Plant and Equipment (Net)	(2.05)	(2.04)
Profit on sale of Non Current Assets classified as Held for Sale	(5.80)	(0.51)
Fair Valuation for Biological Assets other than Bearer Plants	0.10	(0.05)
Amortisation of Deferred Revenue	(1.60)	(0.89)
Goodwill on Consolidation written off	0.12	-
Excess Liabilities and unclaimed balances & Provision written back (Net)	(5.50)	(9.10)
Excess Depreciation written back	(0.01)	(0.07)
Effect of Foreign Exchange Fluctuations	24.07	5.34
Loss on Extinguishment of Financial Liabilities	-	3.88
Finance Costs	370.52	377.64
Operating Profit before Working Capital changes	980.12	811.98
Adjustments for :		
(Increase)/ Decrease in Trade Receivables	(70.61)	(59.30)
(Increase)/ Decrease in Inventories	(96.06)	(56.79)
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	117.24	(218.46)
Increase/ (Decrease) in Trade Payables & Other Liability	175.31	381.19
Increase/ (Decrease) in Provisions	5.00	1.47
Cash generated from operations	1,111.00	860.09
Direct Taxes Paid (Net of Refund Received)	(46.87)	(55.23)
Net Cash from Operating Activities	1,064.13	804.86
Cash Flow from Investing Activities:		
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(419.71)	(279.21)
Sale of Tangible Assets	16.71	3.84
(Purchase)/ Sale of Liquid Investments (Net)	(183.41)	(134.93)
Purchase of other Current Investments	(415.15)	(137.75)
Sale of other Current Investments	446.43	218.60
Sale of Non-Current Investments	0.03	
Payment towards Investment in Subsidiary	(74.96)	(31.74)
(Increase)/ Decrease in Other Bank Balances	62.41	112.23
Loan (given)/ taken back from Related Parties	-	0.00
Interest received	22.41	13.51
Dividend received	1.86	1.02
Net Cash used in Investing Activities	(543.38)	(234.43)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(₹ in Crores)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	73.79	674.37
Repayments of Long Term Borrowings	(167.64)	(851.86)
(Repayments)/Proceeds from Short Term Borrowings (Net)	(35.89)	38.41
Interest Paid	(344.80)	(355.85)
Dividend Paid	(50.05)	(50.05)
Corporate Dividend tax paid	(10.29)	(10.19)
Net Cash used in Financing Activities	(534.88)	(555.17)
Net Increase in Cash and Cash Equivalents	(14.13)	15.26
Cash and Cash Equivalents (Opening Balance)	103.56	88.30
Cash and Cash Equivalents (Closing Balance)	89.43	103.56
Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)	89.43	107.88
Overdraft Balance in Current Account shown under short term borrowing in Balance Sheet	-	(4.31)
Cash and Cash Equivalents (Closing Balance) after adjusting Overdraft balance	89.43	103.56

Note :
a) Reconciliation of Liabilities arising from financing activities

Financial Liability	Opening	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/other adjustments	Closing
Long Term Borrowings (Including current maturity)	4,065.17	73.79	167.64	51.43	1.23	4,023.98
Short Term Borrowings	60.99	36.85	72.74	0.12	-	25.22

- b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- c) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 4.2.
- d) Figures for the previous year have been re-grouped wherever considered necessary.
- e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- f) The Notes are an integral part of Consolidated Financial Statements.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

a) Equity Share Capital (Refer Note No. 20)

Balance as at 1st April, 2017	77.01
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2018	77.01
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2019	77.01

b) Other Equity (Refer Note No. 21)

Particulars	Capital Reserve	Capital Reserve on Consolidation	Reserve & Surplus				Items of Other Comprehensive Income			Total attributable to the owners of the company	Attributable to Non Controlling Interest	Total
			Debt Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Revaluation Surplus			
Balance as at 1st April, 2018	1.05	108.21	83.00	2,580.40	-	389.49	(0.55)	220.54	820.67	4,202.81	0.03	4,202.84
Profit for the Year	-	-	-	-	-	255.69	-	-	-	255.69	0.01	255.70
Remeasurement Gain/(Loss)	-	-	-	-	-	0.69	-	-	-	0.69	-	0.69
Revaluation of Free Hold Land	-	-	-	-	-	-	-	-	-	-	-	-
Mark to Market Gain/(Loss)	-	-	-	-	-	-	-	19.24	-	19.00	-	19.00
Impact of Tax	-	-	-	-	-	(0.22)	(0.16)	-	0.74	0.36	-	0.36
Total Comprehensive Income	-	-	-	-	-	256.16	(0.40)	19.24	0.74	275.74	0.01	275.75
Final Dividends Paid (₹ 6.50 per share)	-	-	-	-	-	(50.05)	-	-	-	(50.05)	-	(50.05)
Dividend Distribution Tax on Final Dividend	-	-	-	-	-	(10.29)	-	-	-	(10.29)	-	(10.29)
Transfer to Debenture Redemption Reserve	-	-	21.42	-	-	(21.42)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	50.00	-	(50.00)	-	-	-	-	-	-
Total Appropriations / Adjustments	-	-	21.42	50.00	-	(131.76)	-	-	-	(60.34)	-	(60.34)
Balance as at 31st March, 2019	1.05	108.21	104.42	2,630.40	-	513.89	(0.95)	239.78	821.41	4,418.21	0.04	4,418.25

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

(₹ in Crores)

b) Other Equity

Particulars	Reserve & Surplus						Items of Other Comprehensive Income			Total attributable to the owners of the company	Attributable to Non Controlling Interest	Total
	Capital Reserve	Capital Reserve on Consolidation	Debt Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Revaluation Surplus			
Balance as at 1st April, 2017	1.05	108.21	61.58	2,530.40	(6.34)	362.22	(0.13)	152.25	-	3,209.24	0.02	3,209.26
Profit for the Year	-	-	-	-	-	153.94	-	-	-	153.94	0.01	153.95
Remeasurement Gain/(Loss)	-	-	-	-	-	7.63	-	-	-	7.63	-	7.63
Revaluation of Free Hold Land	-	-	-	-	-	-	-	-	1,054.92	1,054.92	-	1,054.92
Mark to Market Gain/(Loss)	-	-	-	-	-	-	(0.64)	30.21	-	29.57	-	29.57
Impact of Tax	-	-	-	-	-	(2.65)	0.22	38.08	(234.25)	(198.60)	-	(198.60)
Total Comprehensive Income	-	-	-	-	-	158.92	(0.42)	68.29	820.67	1,047.46	0.01	1,047.47
Final Dividends Paid (₹ 6.50 per share)	-	-	-	-	-	(50.05)	-	-	-	(50.05)	-	(50.05)
Dividend Distribution Tax on Final Dividend	-	-	-	-	-	(10.19)	-	-	-	(10.19)	-	(10.19)
Transfer to Debenture Redemption Reserve	-	-	21.42	-	-	(21.42)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	50.00	-	(50.00)	-	-	-	-	-	-
Associates Investment Adjustment	-	-	-	-	-	0.01	-	-	-	0.01	-	0.01
Exchange Gain/(Loss) during the year	-	-	-	-	0.96	-	-	-	-	0.96	-	0.96
Amortisation during the year (Refer Note no 37.2)	-	-	-	-	5.38	-	-	-	-	5.38	-	5.38
Total Appropriations / Adjustments	-	-	21.42	50.00	6.34	(131.65)	-	-	-	(53.89)	-	(53.89)
Balance as at 31st March, 2018	1.05	108.21	83.00	2,580.40	-	389.49	(0.55)	220.54	820.67	4,202.81	0.03	4,202.84

The notes are an integral part of the Consolidated Financial Statements

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

HARSH V. LODHA
Chairman
(DIN : 00394094)

ADITYA SARAOGI
Chief Financial Officer

B. R. NAHAR
Managing Director
(DIN : 00049895)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1 CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited (the Parent Company) is the flagship company of the M. P. Birla Group. The Parent Company is a Public Limited Listed Company domiciled and incorporated in India having its Registered Office at Kolkata, West Bengal, India. It was incorporated as per the provisions of Companies Act as Birla Jute Manufacturing Company Limited in the year 1919. The Parent Company, its subsidiaries and associates together referred as "the Group". The Group is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Group for the year ended 31st March, 2019 have been approved by the Board of Directors in their meeting held on 3rd May, 2019.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial Assets and Liabilities (including Derivative Instruments) that is measured at fair value/ amortised cost;
- Non-Current Assets classified as Held for Sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined Benefit Plans – plan assets measured at fair value;
- Biological assets – At fair value less cost to sell; and
- Freehold Land falling under Property, Plant & Equipment that is measured at fair value.

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR or ₹), which is also the Group's functional currency. All financial information presented in INR has been rounded off to the nearest Crores, unless otherwise stated. Wherever the amount represented ₹ "0.00" (Zero) construes value less than Rupees fifty thousand.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current versus Non-Current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

A liability is current when :

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3 BASIS OF CONSOLIDATION**Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31st March 2019. The Group consolidates the financial statements of the parent and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the Subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associates

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognised 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.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

4 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

4.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. 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.

4.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of the Cash Flow Statement the same is net of outstanding bank overdrafts.

4.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

4.3.1 Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

4.3.2 Deferred Tax

- Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4.4 Property, Plant and Equipment**4.4.1 Recognition and Measurement**

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Group has opted revaluation model during the year (Refer Note No.6.2).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or Loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

4.4.2 Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

4.4.3 Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.
- Depreciation and amortization on leasehold land is provided on straight line method over the period of lease.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.4.4 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

4.4.5 Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

4.4.6 Capital Work in Progress

Capital work-in-progress is stated at cost less accumulated impairment loss, if any, which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

4.4.7 Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment losses. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

4.5 Leases

4.5.1 Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the Group has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

4.5.2 Group as lessor

- Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

➤ Operating Lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs.

4.5.3 Group as Lessee

➤ Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Group will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

➤ Operating Lease

Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to the Statement of Profit and Loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Group with expected inflationary costs.

4.6 Revenue Recognition

Effective 1st April, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provides a control-based revenue recognition model and a five step application approach for revenue recognition as under:

- Identification of the contract(s) with customers;
- Identification of the performance obligations;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations;
- Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes amounts collected on behalf of third parties.

4.6.1 Sale of Goods

Revenue from the sale of goods is recognized when the Group satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and variable considerations i.e. discounts, rebates, sales claim etc.

4.6.2 Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Group applies the most likely amount method for contracts with a single volume threshold and the expected value method for contracts with more than one volume threshold that best predicts the amount of variable consideration.

4.6.3 Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

4.6.4 Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established

4.7 Employee Benefits

4.7.1 Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

4.7.2 Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

4.7.3 Post Employment Benefits

The Group operates the following post employment schemes:

➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

➤ Defined Contribution Plan

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Group does not carry any further obligations, apart from the contributions made on monthly basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Further in respect of other employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot be lower than the statutory rate of interest notified by the government. The Group has an obligation to make good the shortfall in the interest amount, if any. In view of the Group's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

4.7.4 Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

4.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

4.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).
- The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which is continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

4.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Group considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

4.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

4.11.1 Financial Assets

➤ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ **Classification and Subsequent Measurement:**

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through of Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to the Statement of Profit and Loss, even on sale of investment.

➤ **Derecognition**

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**➤ Impairment of Financial Assets**

The Group assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.11.2 Financial Liabilities**➤ Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through Profit or Loss, loans and borrowings, payables or as derivatives, 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.

➤ Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

➤ Financial Guarantee Contracts

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

➤ Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

4.11.3 Derivative financial instruments:

The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Profit or Loss immediately.

4.12 Impairment of Non-Financial Assets

- The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.13 Provisions, Contingent Liabilities and Contingent Assets

4.13.1 Provisions

Provisions are recognized when there is 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- **Restoration (including Mine closure), rehabilitation and decommissioning**

It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred and are reviewed at each Balance Sheet date.

- **Onerous Contracts:**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

4.13.2 Contingent Liabilities

Contingent liability is a possible obligation arising from past events and 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 Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to financial statements.

4.13.3 Contingent Assets

Contingent assets are not recognised in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.14 Intangible Assets

4.14.1 Recognition and Measurement

4.14.1.1 Mining Rights

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

4.14.1.2 Other Intangible Assets

Software which is not an integral part of related hardware is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**4.14.1.3 Intangible Assets acquired through Business Combination**

Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

4.14.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

4.14.3 Amortization

- Mining Rights are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- Supplier's Agreements are amortized over the period of five to twenty years.
- Useful life of Trade Mark is taken as indefinite.
- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

4.14.4 Intangible Assets under Development

Intangible Assets under development is stated at cost less accumulated impairment losses (if any). Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

4.15 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.

4.16 Biological Assets other than Bearer Plants

Biological Assets other than Bearer Plants are recognized when the entity controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A Biological Asset other than Bearer Plants is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

4.17 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the Balance Sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

4.18 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Operating segments of the Group comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

4.19 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4.20 Standards Issued/amended but not yet effective

On 30th March, 2019, The Ministry of Corporate Affairs (MCA) has notified Ind AS 116 (Leases) under Companies (Indian Accounting Standards) Amendment Rules, 2019, applicable from accounting period commencing on or after 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases, applicable for both lessor and the lessee. Ind AS 116 introduced a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. The lessee is required to recognise depreciation on rights of use assets and finance costs on lease liabilities in the Statement of Profit and Loss. The lease payments made by the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

lessee under the lease arrangement will be adjusted against the lease liabilities. Currently, operating lease expenses are charged to the Statement of Profit and Loss.

The Group intends to adopt the Standard when it becomes effective. The Group is in the process of assessing the possible impact of the Standard and will adopt the amendments on the required effective date.

5 Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Restoration (including Mine closure), rehabilitation and decommissioning:** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **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 input to these models are taken from observable markets where possible, but where this 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.
- **Revenue Recognition:** The Group's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts rebates etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Estimates of discounts and rebates are sensitive to changes in circumstances and the Group's past experience regarding returns, discount and rebate entitlements and may not be representative of customers' actual returns, discount and rebate entitlements in the future.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

6 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Year Ended 31st March, 2019													
	Gross Carrying Amount							Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2018	Additions	Transfer	Disposals	Revaluation	Other Adjustments	As at 31st March, 2019	As at 1st April, 2018	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2019	As at 31st March, 2019
Leasehold Land	152.35	-	-	-	-	-	152.35	3.34	2.07	-	-	-	5.41	146.94
Freehold Land (Refer note 6.1 to 6.2)	1,996.91	7.42	-	-	-	-	2,004.33	10.73	7.66	-	-	-	18.39	1,985.94
Sub-Total	2,149.26	7.42	-	-	-	-	2,156.68	14.07	9.73	-	-	-	23.80	2,132.88
Buildings (Refer note 6.1)	616.63	23.05	-	0.71	-	0.23	639.20	49.04	25.38	-	0.12	-	74.30	564.90
Plant and Machinery	4,155.27	188.28	-	8.56	-	5.91	4,340.90	597.01	259.03	-	0.98	-	855.06	3,485.84
Furniture and Fittings	10.01	0.68	-	0.02	-	-	10.67	2.81	1.18	-	0.01	-	3.98	6.69
Vehicles	20.31	3.48	-	0.60	-	0.02	23.21	6.92	2.60	-	0.38	-	9.14	14.07
Office Equipments	23.30	7.11	-	0.12	-	-	30.29	10.95	4.71	-	0.07	-	15.59	14.70
Railway Sidings	89.74	1.83	-	-	-	0.05	91.62	11.10	6.50	-	-	-	17.60	74.02
Total	7,064.52	231.85	-	10.01	-	6.21	7,292.57	691.90	309.13	-	1.56	-	999.47	6,293.10
Capital Work-In-Progress	759.94	224.64	72.73	-	-	0.09	911.94	-	-	-	-	-	-	911.94

Particulars	Year Ended 31st March, 2018													
	Gross Carrying Amount							Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2017	Additions	Transfer	Disposals	Revaluation	Other Adjustments	As at 31st March, 2018	As at 1st April, 2017	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018
Leasehold Land	152.35	-	-	-	-	-	152.35	1.27	2.07	-	-	-	3.34	149.01
Freehold Land (Refer note 6.1 to 6.2)	931.85	10.14	-	-	1,054.92	-	1,996.91	3.94	6.79	-	-	-	10.73	1,986.18
Sub-Total	1,084.20	10.14	-	-	1,054.92	-	2,149.26	5.21	8.86	-	-	-	14.07	2,135.19
Buildings (Refer note 6.1)	597.83	19.21	-	0.39	-	(0.02)	616.63	24.45	24.63	-	0.04	-	49.04	567.59
Plant and Machinery	3,998.36	158.64	-	0.72	-	(1.01)	4,155.27	340.08	256.95	-	0.02	-	597.01	3,558.26
Furniture and Fittings	8.91	1.10	-	-	-	-	10.01	1.66	1.16	-	0.01	-	2.81	7.20
Vehicles	17.48	3.38	-	0.55	-	-	20.31	4.65	2.65	-	0.38	-	6.92	13.39
Office Equipments	17.55	5.81	-	0.06	-	-	23.30	6.86	4.11	-	0.02	-	10.95	12.35
Railway Sidings	86.99	2.70	-	0.01	-	0.06	89.74	4.77	6.33	-	-	-	11.10	78.64
Total	5,811.32	200.98	-	1.73	1,054.92	(0.97)	7,064.52	387.68	304.69	-	0.47	-	691.90	6,372.62
Capital Work-In-Progress	803.42	91.83	135.92	-	-	0.61	759.94	-	-	-	-	-	-	759.94

Notes:

- 6.1** Gross Carrying Amount includes ₹ 1.59 Crores (Previous Year ₹ 1.59 Crores) in Land and ₹ 7.00 Crores (Previous Year ₹ 7.00 Crores) in Building under Co-ownership basis and also ₹ 0.00 Crore (Previous Year ₹ 0.00 Crore) being value of investments in Shares of a Private Limited Company.
- 6.2** In the previous year, the Group had adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land had been revalued on the basis of valuation report made by independent valuers. Carrying amount as on 1st April, 2018 includes revaluation surplus of ₹ 1,054.92 Crores. In the opinion of the management, as there is no significant change in the fair value indicators, no fair valuation is done as on 31st March, 2019.
The fair valuation was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. This valuation was based on valuations performed by accredited independent valuers. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in level 2 fair value hierarchy.
- 6.3** Other Adjustments include adjustment on account of foreign exchange differences pursuant to using the optional exemption available under Para D13AA of Ind AS 101 "First Time Adoption" for continuing with the policy adopted for accounting for exchange difference on the Long Term Foreign Exchange Monetary Items recognized under previous GAAP as described in note no. 37.2 to the financial statement. Accordingly, the amount capitalized during the year with the Property, Plant and Equipment amounts to ₹ 16.87 Crores (Previous Year decapitalized ₹ 0.98 Crore).
- 6.4** Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 14.71 Crores (Previous Year ₹ 11.81 Crores), (Refer Note No. 35).
- 6.5** Refer note no. 43 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
- 6.6** Refer note no. 44 for information on Property, Plant and Equipment pledged as securities by the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019
7 INVESTMENT PROPERTY

(₹ in Crores)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Gross Carrying Amount		
Opening gross carrying amount	0.19	0.19
Additions	-	-
Disposals	-	-
Other Adjustments	-	-
Closing gross carrying amount	0.19	0.19
Accumulated Depreciation		
Opening Accumulated Depreciation	0.01	0.01
Depreciation charged during the year	0.01	0.00
Closing Accumulated Depreciation	0.02	0.01
Net Carrying Amount	0.17	0.18

7.1 The fair value of the Group's investment properties as at 31st March, 2019 and 31st March, 2018 are ₹ 24.19 Crores and ₹ 24.07 Crores respectively. The fair value has been arrived on the basis of valuation performed by independent valuers, who are specialist in valuing these types of investment properties, having appropriate qualifications and recent experience in the valuation of properties in relevant locations.

7.2 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by accredited independent valuers. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

7.3 The amounts recognized in the Statement of Profit and Loss in relation to the investment properties:

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental Income	0.14	0.14
Direct Operating Expenses in relation to		
– Properties generating rental income	0.28	0.23

7.4 The Group has no restriction on the realisability of its investment properties or the remittance of income and proceeds of disposal. There is no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

8 INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Year Ended 31st March 2019										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April 2018	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March 2019	As at 1st April 2018	Charged during the year	Deductions	Other Adjustments	As at 31st March 2019	As at 31st March, 2019
Computer Software	6.61	3.14	-	-	9.75	3.23	1.56	-	-	4.79	4.96
Supplier Agreement-Flyash	19.61	-	-	-	19.61	3.92	1.10	-	-	5.02	14.59
Trademark	198.27	-	-	-	198.27	-	-	-	-	-	198.27
Mining Rights (includes site preparation)	814.61	2.22	-	-	816.83	37.05	27.47	-	-	64.52	752.31
Total	1,039.10	5.36	-	-	1,044.46	44.20	30.13	-	-	74.33	970.13
Intangible Assets under Development	2.36	5.11	5.36	-	2.11	-	-	-	-	-	2.11

Particulars	Year Ended 31st March 2018										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April 2017	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March 2018	As at 1st April 2017	Charged during the year	Deductions	Other Adjustments	As at 31st March 2018	As at 31st March, 2018
Computer Software	5.92	0.69	-	-	6.61	1.95	1.28	-	-	3.23	3.38
Supplier Agreement-Flyash	19.61	-	-	-	19.61	1.49	2.43	-	-	3.92	15.69
Trademark	198.27	-	-	-	198.27	-	-	-	-	-	198.27
Mining Rights (includes site preparation)	730.85	83.76	-	-	814.61	13.03	24.02	-	-	37.05	777.56
Total	954.65	84.45	-	-	1,039.10	16.47	27.73	-	-	44.20	994.90
Intangible Assets under Development	1.93	84.88	84.45	-	2.36	-	-	-	-	-	2.36

8.1 Refer note no. 43 for disclosure of contractual commitments for the acquisition of Intangible Assets.

8.2 Refer note no. 44 for information on Intangible Assets pledged as securities by the Group.

9 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Opening Balance	0.92	0.82
Additions/Acquisitions	0.05	0.05
Disposals	-	0.00
Fair Value Adjustments	(0.10)	0.05
Closing Balance	0.87	0.92

9.1 The Group owns bearer biological assets i.e., livestock from which milk is produced. The livestock is maintained by the Parent Company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019
10 NON-CURRENT INVESTMENTS

(₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
				Qty	Amount	Qty	Amount
A.	DEBT INSTRUMENTS AT AMORTISED COST						
	Unquoted						
	National Savings Certificate	10.1	7,500	1	0.00	1	0.00
	National Savings Certificate	10.1	10,000	1	0.00	1	0.00
	Subtotal				0.00		0.00
	TOTAL (A)				0.00		0.00
B	INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME						
	EQUITY INSTRUMENTS (FULLY PAID UP)						
	QUOTED						
	Century Textiles & Industries Ltd.		10	18,07,660	168.67	18,07,660	206.54
	Birla Cables Ltd.		10	53,88,515	82.79	53,88,515	32.82
	Universal Cables Ltd.	10.2	10	8,00,157	17.62	8,00,157	10.45
	Hindustan Media Ventures Ltd.		10	4,440	0.05	4,440	0.10
	Rameshwara Jute Mills Ltd.	10.3	10	19,133	0.01	19,133	0.01
	Vindhya Telelinks Ltd.		10	100	0.01	100	0.01
	Birla Precision Technologies Ltd.		2	2,121	0.00	2,121	0.00
	Zenith Birla (I) Ltd.		10	6,362	0.00	6,362	0.00
	Subtotal				269.15		249.93
	UNQUOTED						
	Birla Buildings Ltd.	10.3	10	24,000	0.02	24,000	0.02
	Neosym Industry Limited		10	52,000	0.01	52,000	0.01
	Lotus Court Ltd.		10	1	0.01	1	0.01
	Industry House Ltd.		10	600	0.01	600	0.01
	Eastern Economist Ltd.		10	400	0.01	400	0.01
	Woodlands Multispeciality Hospital Ltd.		10	520	0.00	520	0.00
	Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.00	10	0.00
	Elgin Mills Co. Ltd.		10	2,250	0.00	2,250	0.00
	Bally Jute Mills Employees Consumers' Co-operative Stores Limited		10	250	0.00	250	0.00
	Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.00	15	0.00
	Craig Jute Mills Ltd.		3	50	0.00	50	0.00
	Ampsolar Farms Private Limited		10	-	-	2,600	0.00
	Subtotal				0.06		0.06
	Investment in Quoted Government Securities						
	6.90% GOI 2019		100	-	-	1,00,000	1.00
	Subtotal				-		1.00
	Investments In Quoted Bonds						
	9.70% IFCI Ltd. 2030		10,00,000	63	5.95	63	6.16
	9.55% IFCI Ltd. 2025		10,00,000	13	1.25	13	1.28
	Subtotal				7.20		7.44
	TOTAL (B)				276.41		258.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
				Qty	Amount	Qty	Amount
C	INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS						
	Investment In Preference Shares - Unquoted (Fully paid up)						
	Elgin Mills Co. Ltd. - 5% Preference Shares	10.3	10	100	0.00	100	0.00
	Subtotal				0.00		0.00
	Investments in Mutual Funds						
	UNQUOTED						
	UTI Master Share Unit Scheme - Dividend Plan - Payout						
	Subtotal			-	-	7,200	0.02
					-		0.02
	TOTAL (C)				0.00		0.02
	TOTAL NON-CURRENT INVESTMENTS				276.41		258.45
	Aggregate Book Value of Quoted Investments				276.35		258.37
	Aggregate Fair Value of Quoted Investments				276.35		258.37
	Aggregate amount of Unquoted Investments				0.06		0.08
	Aggregate amount of Impairment in value of Investments				-		-

Notes :

10.1 Deposited with Government Department as Security.

10.2 Vide order of Delhi High Court Dated 27th September 2018, the 98,157 number of shares allotted as additional shares, were allowed to be demated and converted to demat form.

10.3 Fair valuation not carried out as amounts are not significant.

11 LOANS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Loan & Advances to Related Parties	11.1, 11.2 & 11.3				
Loan Receivables		-	-	0.07	0.07
Less: Provision for Doubtful Receivables		-	-	0.07	0.07
		-	-	-	-
Loans and Advances to Others	11.1, 11.2 & 11.3				
Loan Receivables		0.38	0.36	1.24	1.18
Less: Provision for Doubtful Receivables		-	-	0.00	0.00
		0.38	0.36	1.24	1.18
Total		0.38	0.36	1.24	1.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

11.1 Break Up of Loans

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Loan Receivables considered good - Secured		-	-	-	-
Loan Receivables considered good - Unsecured		0.38	0.36	1.24	1.18
Loan Receivables which have significant increase in Credit Risk		-	-	0.07	0.07
Loan Receivables-credit impaired		-	-	-	-
		0.38	0.36	1.31	1.25
Less: Provision for Doubtful Receivables		-	-	0.07	0.07
		0.38	0.36	1.24	1.18

11.2 No Loans are due from directors or other officers of the Group either severally or jointly with any other person. Nor any Loan due from firms or private companies respectively in which any director of Group is a partner, a director or a member except as disclosed in note no. 11.3 given below.

11.3 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

Particulars	Refer Note No.	Balance Outstanding		Maximum Amount Outstanding	
		As at		For the year ended	
		31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
i. Associate Companies					
Birla Odessa Industries Private Limited	(ii)(a)	-	-	-	0.00
Birla Readymix Private Limited	(ii)(a)	-	-	-	0.00
ii. Purpose for which the advance was provided					
a. Advance given for working capital needs					
iii. Group has not given any guarantee and for investment refer note no. 10 & 15.					

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

12 OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Security Deposits					
Unsecured, considered good		48.89	41.66	8.62	8.61
		48.89	41.66	8.62	8.61
Incentive and Subsidy Receivable		52.93	44.72	448.10	600.75
Less : Provision for Doubtful Receivables		-	-	1.44	1.44
		52.93	44.72	446.66	599.31
Other Deposits and Advances					
Unsecured, considered good		1.64	1.80	4.24	0.83
Unsecured, considered doubtful		-	-	1.55	1.24
		1.64	1.80	5.79	2.07
Less: Provision for Doubtful Advances		-	-	1.55	1.24
		1.64	1.80	4.24	0.83
Deposits with Bank having maturity of more than one year from the balance sheet date		2.38	2.39	-	-
Interest Accrued on Deposits		0.14	0.12	1.77	2.48
Derivative Contracts		-	-	-	0.56
Amount Paid Under Protest		2.37	2.37	-	-
Others		-	-	-	0.05
		4.89	4.88	1.77	3.09
Total		108.35	93.06	461.29	611.84

12.1 No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any other receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member, except ₹ 0.01 Crores (Previous year ₹ 0.24 Crores) are receivables from a private company in which directors of the Group are directors.

12.2 Represents deposits marked lein in favour of Govt. Authorities.

13 OTHER ASSETS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Advance against supply of Goods and Services		-	-	207.46	206.84
Less : Provision for Doubtful Advances		-	-	0.50	0.52
		-	-	206.96	206.32
Capital Advances		95.21	48.06	-	-
Prepaid Expenses		7.87	6.54	9.05	7.20
Amount Paid Under Protest		74.68	35.74	-	-
Balances with Government & Statutory Authorities		0.73	0.75	28.60	55.28
Security Deposits					
Unsecured considered good		1.89	1.88	0.41	0.41
Other Advances (Including Balance with Gratuity Fund)		4.99	8.03	11.83	6.00
Total		185.37	101.00	256.85	275.21

No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member except ₹ 24.14 Crores (Previous year ₹ 0.26 Crores) are receivables from private companies in which directors of the Group are directors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019
14 INVENTORIES

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
(As valued and certified by the Management)	4.1		
Raw Materials	14.1	123.68	97.69
Work-In-Progress	14.1	133.78	107.66
Finished Goods	14.1	119.11	124.47
Stock-In-Trade	14.1	0.15	-
Stores and Spares	14.1	219.32	189.24
Fuels	14.1	172.40	149.85
Packing Materials		14.58	18.05
Total		783.02	686.96

14.1 The above includes goods-in-transit as under:			
Raw Materials		13.92	2.23
Work-In-Progress		0.42	4.04
Finished Goods		10.27	11.67
Stock-In-Trade		0.15	-
Stores and Spares		1.98	1.04
Fuels		0.20	17.46
Total		26.94	36.44

14.2 Amount of write down of inventories carried at net realisable value and recognised as expenses : ₹ 1.21 Crores (Previous Year ₹ 1.31 Crores).

14.3 Refer Note no. 44 for information on amount of inventories pledged as securities by the Group.

15 CURRENT INVESTMENTS

Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
			Qty	Amount	Qty	Amount
A INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME						
Investment in Quoted Government Securities						
6.90% GOI 2019		100	1,00,000	1.00	-	-
TOTAL (A)				1.00		-
B INVESTMENT AT FAIR VALUE THROUGH PROFIT AND LOSS						
Investments in Mutual Funds						
QUOTED						
HDFC FMP 92D February 2018(1) - Direct Growth			-	-	2,50,00,000	25.18
ICICI Prudential FMP Series 82-103 D Plan O DP			-	-	1,00,00,000	10.06
Kotak FMP Series 218 Direct Growth			-	-	4,00,00,000	40.30
Reliance Fixed Horizon Fund Series - XXXVI - Series 4			-	-	2,50,00,000	25.20
Kotak Monthly Interval Plan Series 4 - Direct Plan Growth			1,00,00,000	10.03	-	-
Subtotal				10.03		100.74
UNQUOTED						
UTI Money Market Fund - Direct Plan Growth			-	-	1,11,609	21.76
UTI Liquid Cash Plan - Institutional Plan - Direct Plan Growth			1,06,345	32.55	-	-
L & T Ultra Short Term Fund - Direct Plan Growth			1,15,26,884	35.89	-	-
Kotak Savings Fund - Direct Plan Growth (Previously known as Kotak Treasury Advantage Fund - Direct Plan Growth)			74,93,231	22.89	75,68,458	21.37

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Refer Note No.	Face Value	As at 31st March, 2019		As at 31st March, 2018	
			Qty	Amount	Qty	Amount
Kotak Liquid - Direct Plan Growth	15.1		52,186	19.75	51,196	18.03
SBI Magnum Low Duration Fund - Direct Plan Growth (Previously known as SBI Ultra Short Term Debt Fund - Direct Plan Growth)			53,270	12.95	48,362	10.89
Tata Treasury Advantage Fund - Direct Plan Growth (Previously known as Tata Ultra Short Term Fund - Direct Plan Growth)			-	-	1,23,994	32.95
Tata Liquid Fund - Direct Plan Growth (previously known as Tata Money Market Fund - Direct Plan Growth)			1,93,036	56.84	69,592	19.06
Kotak Corporate Bond Fund - Direct Plan Growth			-	-	45,452	10.58
IDFC Low Duration Fund - Direct Plan Growth (previously known as IDFC Ultra Short Term Fund - Direct Plan Growth)			-	-	1,11,53,370	27.66
Invesco India Liquid Fund - Direct Plan Growth			1,45,011	37.30	96,755	23.14
DSP Liquidity Fund - Direct Plan Growth (previously known as DSP BlackRock Liquidity Fund - Direct Plan Growth)			49,008	13.11	81,054	20.14
SBI Liquid Fund - Direct Plan Growth (Previously known as SBI Premier Liquid Fund - Direct Plan Growth)			72,098	21.11	73,559	20.04
L & T Liquid Fund - Direct Plan Growth			70,553	18.08	85,645	20.41
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth			76,360	34.83	33,709	14.29
Yes Liquid Fund - Direct Plan Growth			1,97,852	20.08	-	-
ICICI Prudential Money Market Fund - Direct Plan Growth			9,654	0.26	8,95,645	21.53
HDFC Ultra Short Term Fund - Direct Plan Growth			7,67,60,143	80.40	-	-
IDFC Ultra Short Term Fund - Direct Plan Growth			3,87,76,130	41.12	-	-
ICICI Prudential Liquid Plan - Direct Plan Growth			17,20,202	47.55	-	-
Baroda Liquid Fund Plan B - Growth			2,05,290	44.17	-	-
Axis Liquid Fund - Direct Growth			2,39,442	49.66	1,03,938	20.03
Axis Banking & PSU Debt Fund - Direct Growth			-	-	63,994	10.36
Reliance Low Duration Fund - Direct Plan Growth (Previously known as Reliance Money Manager Fund - Direct Growth Plan - Growth Option)			1,258	0.33	1,258	0.31
ICICI Corporate Bond Fund Direct Growth (Previously known as ICICI Ultra Short Term Plan Direct Growth)			1,53,685	0.30	1,53,685	0.28
Reliance Low Duration Fund - Retail Option Growth Plan (Previously known as Reliance Money Manager Fund - Retail Option - Growth Plan)			476	0.12	476	0.11
Reliance Liquid Fund - Treasury Plan - Growth Plan			-	-	55	0.02
Sub total				589.29		312.96
TOTAL (B)				599.32		413.70
TOTAL CURRENT INVESTMENTS				600.32		413.70
Aggregate Book value of Quoted Investments				11.03		100.74
Aggregate Fair Value of Quoted Investments				11.03		100.74
Aggregate amount of Unquoted Investments				589.29		312.96
Aggregate amount of impairment in value of investments				-		-

15.1 Out of the same 45,930 units (Previous year: 45,930 units) are held as margin in favour of State Bank of India against bank guarantee.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

16 TRADE RECEIVABLES

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables	16.1 & 16.2	278.45	208.26
Less: Provision for Doubtful Receivables		16.25	16.81
Total		262.20	191.45
Break Up of Trade Receivables			
Trade Receivables considered good - Secured		142.56	89.25
Trade Receivables considered good - Unsecured		119.64	102.20
Trade Receivables which have significant increase in Credit Risk		16.25	16.81
Trade Receivables-Credit Impaired		-	-
Total		278.45	208.26
Less: Provision for Doubtful Receivables		16.25	16.81
Total		262.20	191.45

16.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

16.2 No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member.

17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Balances With Banks :			
In Current/Cash Credit Account		57.22	56.12
In Deposit Accounts with Original Maturity of less than three months		20.00	31.10
Cheques/drafts on Hand		11.97	20.43
Cash in Hand		0.24	0.23
Total		89.43	107.88

18 BANK BALANCES (OTHER THAN NOTE : 17)

Balance in Unpaid Dividend Account	18.1	1.48	1.40
Other Fixed Deposit with Banks		48.05	110.54
Total		49.53	111.94
18.1 Includes deposits marked lien in favour of Govt. Authorities and Banks.		2.15	0.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

19 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Plant & Machinery	19.1 & 19.2	0.63	0.42
Total		0.63	0.42

19.1 Plant & Machinery related to:

Unit Birla Carbide & Gases: Suspension of operations was declared of the Parent Company's unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29th October, 2001. Subsequently, closure of the Unit was declared w.e.f. 31st January, 2005. A resolution was passed by Board of Directors of the Parent Company on 4th November, 2015 for disposal of assets of the Unit. All Plant & Machineries, except some insignificant portion thereof, were disposed off till March, 2019 and it is expected that the sale for the remaining portion will be completed by September, 2019. The assets of the unit comprising remaining Plant & Machineries are presented within total assets of the "Unallocated Corporate Assets" under Segment Reporting.

Unit Chanderia: During the year, the Parent Company decided to dispose of the old Thermal Power Plants and DG Sets at Chanderia unit being not in use for more than ten years. An online auction process was initiated in December, 2018 based on which the buyer was finalised. Dismantling and sale of Plant & Machineries started in January, 2019 but could not completed by March, 2019. It is expected that the sale will be completed by August, 2019. The assets of this unit comprising Plant & Machineries remaining unsold on 31st March, 2019 are presented within total assets of the "Cement Segment Assets" under Segment Reporting.

19.2 Non recurring fair value measurements

The fair value value of the Plant & Machineries, classified as held for sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in fair value measurement disclosures refer note no. 54. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

20 EQUITY SHARE CAPITAL

Particulars	Refer Note No.	As at 31st March, 2019		As at 31st March, 2018	
		No. of Shares	Amount	No. of Shares	Amount
20.1 Authorised Share Capital					
Ordinary Shares of ₹10/- each		9,00,00,000	90.00	9,00,00,000	90.00
Preference Shares of ₹100/- each		10,00,000	10.00	10,00,000	10.00
Total		9,10,00,000	100.00	9,10,00,000	100.00
20.2 Issued Share Capital					
Ordinary Shares of ₹10/- each		7,70,13,416	77.01	7,70,13,416	77.01
Total		7,70,13,416	77.01	7,70,13,416	77.01
20.3 Subscribed and Paid-up Share Capital					
Ordinary Shares of ₹10/- each fully paid-up		7,70,05,347	77.01	7,70,05,347	77.01
Add: Forfeited Ordinary Shares (Amount originally paid-up)		-	0.00	-	0.00
Total		7,70,05,347	77.01	7,70,05,347	77.01

20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

20.5 Terms/ Rights attached to Equity Shares :

The Parent Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Group after payment of all preferential amounts, in proportion to their shareholding.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

The Parent Company does not have any Holding Company or Ultimate Holding Company.

20.7 Details of Equity Shareholders holding more than 5% shares in the Group

Particulars	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. (P) Ltd.	45,20,572	5.87	45,20,572	5.87
Reliance Capital Trustee Company Limited	54,15,705	7.03	41,62,918	5.41
(Shares held in their various scheme)				

20.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 The Parent Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

20.10 No securities convertible into Equity/ Preference shares have been issued by the Parent Company during the year.

20.11 No calls are unpaid by any Director or Officer of the Group during the year.

21 OTHER EQUITY (Refer Statement of Change in Equity)

The Description of the nature and purpose of each reserve within equity is as follows:

- a) **Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.
- b) **Capital Reserve on Consolidation:** This Reserve arises on account of Consolidation of the financials of Subsidiaries.
- c) **Debenture Redemption Reserve (DRR):** The Parent Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the Parent Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.
- d) **General Reserve:** The general reserve is created out of retained earnings and use for appropriation purposes.
- e) **Foreign Currency Monetary Item Translation Difference Account:** Foreign Currency Monetary Item Translation Difference Account represents the exchange differences arising on reporting of long -term foreign currency monetary items at rates different from those at which they were initially recorded or reported in previous financial statements in so far as they related to items other than acquisition of a depreciable capital assets in pursuance of option exercised by the Group under para 46A of Accounting standard 11 for all pre-existing long term foreign currency monetary items as at 31st March, 2016.
- f) **Retained Earnings:** Retained Earnings represents the undistributed profit of the Group.
- g) **Debt Instrument through Other Comprehensive Income:** This reserve is created on account of fair valuation of selected debt instrument and will be transferred to Statement of Profit and Loss on liquidation of respective instruments.
- h) **Equity Instruments through Other Comprehensive Income :** This Reserve is created on account of fair valuation of equity instruments. This will be directly transferred to Retained Earnings on disposal of respective equity instruments.
- i) **Revaluation Surplus:** Revaluation Surplus arises on account of fair valuation of Freehold Land. This will be directly transferred to Retained Earnings at the time of sale/disposal/transfer (if any) of the respective portion of Freehold Land.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

22 LONG TERM BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Non-Convertible Debentures (NCD) (Face Value of ₹ 10,00,000/- each)	22.1 (a)				
2500 (Previous Year -2500) 9.25% NCD 2026		250.00	250.00	-	-
1500 (Previous Year -1500) 9.15% NCD 2021		150.00	150.00	-	-
1300 (Previous Year -1300) 9.05% NCD 2020		130.00	130.00	-	-
1500 (Previous Year - 1500) 9.10% NCD 2020		-	150.00	150.00	-
		530.00	680.00	150.00	-
Term Loans					
From Banks:					
Rupee Loans	22.1(b)	2,719.74	2,486.72	105.58	52.12
Foreign Currency Loans	22.1(c)	363.29	660.05	145.15	183.27
From Others:					
Rupee Loans	22.1(d)	7.07	2.88	-	-
		3,090.10	3,149.65	250.73	235.39
Finance lease obligations	22.2	3.11	0.12	0.04	0.01
Total		3,623.21	3,829.77	400.77	235.40
Amount disclosed under the head "Other Financial Liability"	23	-	-	(400.77)	(235.40)
Total		3,623.21	3,829.77	-	-
Break Up of Security Details					
Secured		3,537.55	3,732.38	380.10	215.94
Unsecured		85.66	97.39	20.67	19.46
Total		3,623.21	3,829.77	400.77	235.40

22.1 Terms and Conditions of Long Term Borrowings :

	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
a) Non-Convertible Debentures			
i) 9.25% NCD 2026	22.1 (e) (i)	250.00	250.00
ii) 9.15% NCD 2021	22.1 (e) (ii)	150.00	150.00
iii) 9.05% NCD 2020	22.1 (e) (iii)	130.00	130.00
iv) 9.10% NCD 2020	22.1 (e) (iv)	150.00	150.00
b) Rupee Term Loan- From Banks- in Indian Rupees	22.1 (f)	2,846.07	2,560.77
c) Foreign Currency Loan - From Banks - in Foreign Currency	22.1 (g)	510.62	847.30
d) Rupee Term Loan - From Others - in Indian Rupees	22.1 (h)	11.91	5.24

e) **Non-Convertible Debentures are redeemable fully at par as under :-**

- 9.25% NCD 2026 of ₹ 250.00 Crores, includes ₹ 60.00 Crores repayable in August 2024, ₹ 15.00 Crores repayable in September 2024, ₹ 60.00 Crores repayable in August 2025, ₹ 15.00 Crores repayable in September 2025, ₹ 80.00 Crores repayable in August 2026, ₹ 20.00 Crores repayable in September 2026.
- 9.15% NCD 2021 repayable in August 2021.
- 9.05% NCD 2020 repayable in October 2020.
- 9.10% NCD 2020 repayable in March 2020.

The Debentures are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with other term lenders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

f) Rupee Loan from Banks :

Term Loan ₹ 2846.07 Crores, (Rate of Interest MCLR 6M/12M Plus spread upto 0.95%), includes

i) ₹ 594.96 Crores are repayable as under:

- ₹ 10.08 Crores payable in 4 equal quarterly installments from May/June 2019 to February/March 2020.
- ₹ 30.00 Crores payable in 2 equal quarterly installments from May/June 2020 to August/September 2020.
- ₹ 35.04 Crores payable in 2 equal quarterly installments from November/December 2020 to February/March 2021.
- ₹ 39.96 Crores payable in 2 equal quarterly installments from May/June 2021 to August/September 2021.
- ₹ 180.00 Crores payable in 8 equal quarterly installments from November/December 2021 to August/September 2023.
- ₹ 150.05 Crores payable in 6 equal quarterly installments from November/December 2023 to February/March 2025.
- ₹ 125.10 Crores payable in 5 equal quarterly installments from May/June 2025 to May/June 2026.
- ₹ 24.73 Crores payable in August/September 2026.

These Rupee Term Loans are secured by first ranking pari-passu charge on movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Jute Division and land situated at Birlapur and Narkeldanga.

ii) ₹ 277.20 Crores are repayable as under:

- ₹ 5.60 Crores payable in 4 equal quarterly installments from June 2019 to March 2020.
- ₹ 8.40 Crores payable in 4 equal quarterly installments from June 2020 to March 2021.
- ₹ 11.20 Crores payable in 4 equal quarterly installments from June 2021 to March 2022.
- ₹ 56.00 Crores payable in 8 equal quarterly installments from June 2022 to March 2024.
- ₹ 70.00 Crores payable in 8 equal quarterly installments from June 2024 to March 2026.
- ₹ 84.00 Crores payable in 8 equal quarterly installments from June 2026 to March 2028.
- ₹ 42.00 Crores payable in 2 equal quarterly installments from June 2028 to September 2028.

The Rupee Term Loan are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with other term lenders.

iii) ₹ 1,614.82 crores are repayable as under:

- ₹ 159.74 Crores repayable in 8 equal quarterly installments from June 2019 to March 2021.
- ₹ 127.79 Crores repayable in 4 equal quarterly installments from June 2021 to March 2022.
- ₹ 159.74 Crores repayable in 4 equal quarterly installments from June 2022 to March 2023.
- ₹ 351.42 Crores repayable in 8 equal quarterly installments from June 2023 to March 2025.
- ₹ 670.92 Crores repayable in 14 equal quarterly installments from June 2025 to September 2028.
- ₹ 145.21 Crores repayable in December 2028.

The Rupee Term Loans are secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh, ranking pari passu with other lender banks and second charge on entire current assets of the subsidiary Company ranking pari passu with other lender banks.

iv) ₹ 290.00 Crores are repayable as under:

- ₹ 2.03 Crores repayable in 2 equal quarterly installments from November 2019 to February 2020.
- ₹ 4.06 Crores repayable in 2 equal quarterly installments from May 2020 to August 2020.
- ₹ 8.12 Crores repayable in 2 equal quarterly installments from November 2020 to February 2021.
- ₹ 24.36 Crores repayable in 4 equal quarterly installments from May 2021 to February 2022.
- ₹ 48.72 Crores repayable in 6 equal quarterly installments from May 2022 to August 2023.
- ₹ 20.01 Crores repayable in 2 equal quarterly installments from November 2023 to February 2024.
- ₹ 182.70 Crores repayable in 18 equal quarterly installments from May 2024 to August 2028.

The Rupee Term Loans is secured by way of subservient charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets of the Subsidiary Company except assets relating to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

(v) ₹ 69.09 Crores are repayable as under:

The Rupee Term Loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar in Madhya Pradesh, ranking pari passu with other lenders. The loan will be repayable in 39 equal quarterly installments of ₹ 2.00 Crores each from June 2019 to December 2028 and balance ₹ 3.00 Crores repayable in March 2029.

g) Foreign Currency Loans from Banks are repayable as under:-

Term Loan ₹ 510.62 Crores (Rate of Interest LIBOR 1M/3M/6M Plus spread of 150 bps to 250 bps).

i) ₹ 276.64 Crores repayable in 8 equal quarterly installments starting from October 2019 to July 2021.

The above loans are secured by first charge on the movable and immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with Debenture holders and other term lenders.

ii) ₹ 71.14 Crores repayable in remaining 12 equal quarterly installments from June 2019 to March 2022.

The above loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar and Gondavali in Madhya Pradesh, Kundanganj in Uttar Pradesh, ranking pari passu with other lender banks and second charge on entire current assets of the Maihar and Kundanganj ranking pari passu with other lender banks.

iii) ₹ 59.65 Crores are repayable as under:

₹ 14.00 Crores repayable in 2 equal quarterly installments from June 2019 to September 2019.

₹ 17.64 Crores repayable in 2 equal quarterly installments from December 2019 to March 2020.

₹ 28.01 Crores repayable in 3 equal quarterly installments from June 2020 to December 2020.

The above loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar and Gondavali in Madhya Pradesh and Kundanganj in Uttar Pradesh ranking pari passu with other lender banks and second charge on entire current assets of the Maihar and Kundanganj ranking pari passu with other lender banks.

iv) ₹ 103.19 Crores repayable in remaining 10 semi-annual installments from September 2019 to March 2024.

h) Rupee Loan from Other :

Term Loan of ₹ 11.91 Crores from Pradeshia Industrial & Investment Corporation of U.P. Ltd.

i) ₹ 11.91 Crores includes, ₹ 2.82 Crores repayable in January 2025, ₹ 2.42 Crores repayable in March 2025 and ₹ 6.67 Crores repayable in May 2025.

The above loan is secured by Bank Guarantees.

22.2 Finance lease obligations

The Group has entered into various finance lease arrangements mainly for land and Plant and Equipments for terms ranging up to 99 years. The legal title to these items vests with the respective lessors. There are no restrictions imposed by lease arrangements. There are no sub-lease arrangements entered in to by the Group for these leases.

The Group has finance lease contracts and the obligation under finance lease are secured by the lessor's title to the leased assets. Future minimum lease payments under finance lease contracts together with the present value of the net minimum lease payments are disclosed as below:

Particulars	31st March 2019		31st March 2018	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	0.34	0.03	0.01	0.01
After one year but not more than five years	1.38	0.17	0.05	0.04
More than five years	7.17	2.95	0.43	0.08
Total minimum lease payments	8.89	3.15	0.49	0.13
Less: Amounts representing finance charges	5.74	-	0.36	-
Present value of minimum lease payments	3.15	3.15	0.13	0.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

23 OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current Maturities of Long Term Debt	22	-	-	400.73	235.39
Current Maturities of Finance Lease Obligations	22	-	-	0.04	0.01
Trade & Security Deposits (Unsecured)		480.77	399.58	0.10	0.09
Interest Accrued but not due on Borrowings		-	-	34.47	30.63
Unpaid and Unclaimed dividends		-	-	1.48	1.40
Employees Related Liabilities		-	-	37.73	30.90
Amount Payable for Capital Goods	45	-	-	54.73	44.87
Derivative Contracts		-	-	6.35	0.09
Other Payables (Including rebates and discounts)		-	-	341.25	387.94
		480.77	399.58	876.88	731.32
Liabilities Under Litigation		28.69	27.56	-	-
Less: Paid Under Protest		20.83	19.71	-	-
		7.86	7.85	-	-
Total		488.63	407.43	876.88	731.32

24 PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		37.79	34.17	5.09	5.70
Provision for Mines Restoration	24.1	4.34	3.98	6.60	5.35
Total		42.13	38.15	11.69	11.05

24.1 Movement of Provision :

Particulars	Non Current		Current	
	Provision for Mines Restoration		Provision for Mines Restoration	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Balance as at year beginning	3.98	3.66	5.35	5.01
Provision made during the year	0.36	0.32	1.25	0.34
Provision Utilised during the year	-	-	-	-
Balance as at the year end	4.34	3.98	6.60	5.35

The Group has an obligation to restore the mines after extracting of reserves. Therefore provision has been recognised for the estimated decommissioning and restoration cost in accordance with the mines closure plan.

25 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Arising on account of :		
Depreciation	1,177.92	1,152.36
Revaluation Surplus	233.50	234.25
Remeasurement of the Defined Benefit Plans	0.02	0.08
Mark to Market Gain on Investments	5.61	4.23
Others	2.08	2.26
	1,419.13	1,393.18
Less: Deferred Tax Assets		
Arising on account of :		
Mat Credit Entitlement	277.24	189.14
Items u/s 43B of Income Tax Act, 1961	70.49	76.51
Unused Tax Credit	318.26	364.57
Others	10.92	18.11
	676.91	648.33
Deferred Tax Liabilities (Net)	742.22	744.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2018 and 31st March, 2019

Particulars	As at 1st April, 2018	Recognized in Statement of Profit and Loss	Recognized in Other Compre- hensive Income	As at 31st March, 2019
Deferred Tax Liabilities				
Depreciation	1,152.36	25.56	-	1,177.92
Revaluation Surplus	234.25	-	(0.75)	233.50
Remeasurement of the Defined Benefit Plans	4.23	1.22	0.16	5.61
Mark to Market Gain on Investments	0.08	(0.28)	0.22	0.02
Others	2.26	(0.18)	-	2.08
	1,393.18	26.32	(0.37)	1,419.13
Deferred Tax Assets				
Mat Credit Entitlement	189.14	88.10	-	277.24
Items u/s 43B of Income Tax Act, 1961	364.57	(46.31)	-	318.26
Unused Tax Credit	76.51	(6.02)	-	70.49
Others	18.11	(7.19)	-	10.92
	648.33	28.58	-	676.91
Deferred Tax Liabilities (Net)	744.85	(2.26)	(0.37)	742.22

Particulars	As at 1st April, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Compre- hensive Income	As at 31st March, 2018
Deferred Income Tax Liabilities				
Depreciation	1,122.74	29.62	-	1,152.36
Revaluation Surplus	-	-	234.25	234.25
Remeasurement of the Defined Benefit Plans	56.03	(13.50)	(38.30)	4.23
Mark to Market Gain on Investments	0.05	(2.62)	2.65	0.08
Others	3.82	(1.56)	-	2.26
	1,182.64	11.94	198.60	1,393.18
Deferred Income Tax Assets				
Mat Credit Entitlement	171.94	17.20	-	189.14
Items u/s 43B of Income Tax Act, 1961	356.42	8.15	-	364.57
Unused Tax Credit	75.59	0.92	-	76.51
Others	14.55	3.56	-	18.11
	618.50	29.83	-	648.33
Deferred Tax Liabilities (Net)	564.14	(17.89)	198.60	744.85

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

25.3 The Group has not recognized deferred tax assets on unused tax credits (MAT credit entitlements) of ₹ 46.88 Crores (Previous year ₹ 63.58 Crores) related to F.Y. 2010-11 and 2011-12 on account of prudence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

26 OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Liabilities Under Litigation		299.76	364.70	-	-
Less : Paid Under Protest		158.23	191.19	-	-
		141.53	173.51	-	-
Advance Received from Customers		-	-	82.59	105.98
Statutory Dues		-	-	143.47	151.15
Bonus Liability		-	-	9.59	10.11
Deferred Revenue	26.1	5.29	4.10	1.66	1.17
Others		4.89	4.90	0.00	0.00
Total		151.71	182.51	237.31	268.41

26.1 Movement of Deferred Revenue

Particulars	2018-19	2017-18
Opening Balance	5.27	1.37
Grants Received during the year	3.28	4.79
Less: Released to the Statement of Profit & Loss	1.60	0.89
Closing Balance	6.95	5.27
Current portion	1.66	1.17
Non Current portion	5.29	4.10

27 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Loans Repayable on Demand			
From Banks			
Rupee Loans	27.1	15.96	27.45
Other Loans			
From Banks			
Buyers' Credit and Packing Credit in Foreign Currency		-	22.85
Rupee Loan	27.2	0.91	-
Packing Credit in Indian Currency		8.35	15.00
Total		25.22	65.30
The above amount includes			
Secured Borrowings		16.87	27.45
Unsecured Borrowings		8.35	37.85
		25.22	65.30

27.1 Working Capital Loans from Banks are secured by way of first charge on hypothecation of Parent Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on Movable and Immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division.

27.2 The Rupee Loan is secured against Fixed Deposit with Bank.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

28 TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Trade Payables for goods and services	45		
– Total outstanding dues of micro enterprises and small enterprises		7.30	1.47
– Total outstanding dues of creditors other than micro enterprises and small enterprises		620.01	509.74
Total		627.31	511.21

29 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Products (including Excise Duty)	29.1 to 29.5	6,360.50	5,726.51
		6,360.50	5,726.51
Other Operating Revenues			
Incentives & Subsidies		168.09	199.50
Export Benefits		2.34	4.19
Insurance and Other Claims (Net)		1.91	3.10
Miscellaneous Sale		15.89	5.63
		188.23	212.42
Total		6,548.73	5,938.93

29.1 Effective 1st July, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses. Hence, revenue from operations for the year ended 31st March, 2019 are not comparable with previous year.

29.2 Disaggregated Revenue Information

a) Disaggregation of the Group's Revenue from Contracts with Customers:

Particulars	For the year ended 31st March, 2019				For the year ended 31st March, 2018			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Sale of Products								
Manufactured Goods	6,030.55	326.57	1.45	6,358.57	5,419.21	304.28	1.46	5,724.95
Traded Goods	1.60	0.33	-	1.93	1.06	0.50	-	1.56
Total Revenue from Contracts with Customers	6,032.15	326.90	1.45	6,360.50	5,420.27	304.78	1.46	5,726.51
Other Operating Revenues								
Incentives & Subsidies	167.24	0.85	-	168.09	198.72	0.78	-	199.50
Export Benefits	-	2.34	-	2.34	-	4.19	-	4.19
Insurance and Other Claims (Net)	1.91	-	-	1.91	3.10	-	-	3.10
Miscellaneous Sale	14.75	1.10	0.04	15.89	5.18	0.40	0.05	5.63
	183.90	4.29	0.04	188.23	207.00	5.37	0.05	212.42
Total Revenue from Operations	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93
Within India	6,212.11	301.75	1.49	6,515.35	5,606.53	261.34	1.51	5,869.38
Outside India	3.94	29.44	-	33.38	20.74	48.81	-	69.55
Total Revenue from Operations	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93
Timing of Revenue Recognition								
Goods or Services transferred at a point in time	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93
Total Revenue from Operations	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

b) Reconciliation of the Revenue from Contracts with Customers with the amounts disclosed in the segment information:

Particulars	For the year ended 31st March, 2019				For the year ended 31st March, 2018			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Revenue								
External Sales	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93
Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	-	4.69	6.21
Total	6,216.80	331.20	6.73	6,554.73	5,628.79	310.15	6.20	5,945.14
Less : Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	-	4.69	6.21
Revenue from Operations	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93

29.3 Information about Receivables, Contract Assets and Contract Liabilities from Contracts with Customers:

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Trade Receivables	16	262.20	191.45
<u>Contract Liabilities</u>			
Advances from Customers	26	82.59	105.98

29.4 Reconciling the amount of Revenue recognised in the Statement of Profit and Loss with the Contracted Price:

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue as per contracted price (including Excise Duty)		6,786.05	6,071.14
Less: Sales Claims		0.44	0.14
Less: Rebate & Discounts		425.11	344.49
Total Revenue from Contracts with Customers		6,360.50	5,726.51
Other Operating Revenues		188.23	212.42
Revenue from Operations		6,548.73	5,938.93

29.5 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at Balance Sheet date are, as follows:

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Advances from Customers	26	82.59	105.98

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

30 OTHER INCOME

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest Income		
On Investments	0.80	0.80
On Banks Deposits	8.14	10.86
On Income Tax Refund	12.78	17.60
On Other Deposits, etc.	3.06	2.17
Dividend Income	1.86	1.02
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss	26.48	20.22
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss	7.00	4.11
Other Non Operating Income		
Profit on sale/discard of Property, Plant and Equipment (Net)	2.05	2.04
Profit on revaluation of Live Stock	-	0.05
Profit on sale of Non Current Assets classified as Held for Sale	5.80	0.51
Excess Liabilities and Unclaimed Balances written back	4.59	9.10
Excess Provision written back	0.91	0.27
Excess Depreciation written back	0.01	0.07
Insurance and Other Claims (Net)	1.93	2.55
Miscellaneous Income	3.06	2.64
Total	78.47	74.01

31 COST OF MATERIALS CONSUMED

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Raw Materials Consumed		961.25	786.67
Total		961.25	786.67

32 PURCHASES OF STOCK IN TRADE

Traded Goods		1.45	0.45
Total		1.45	0.45

33 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year			
Finished Goods		124.47	143.06
Stock-In-Trade		-	-
Work-In-Progress		107.66	135.43
		232.13	278.49
Inventories at the end of the year			
Finished Goods		119.11	124.47
Stock-In-Trade		0.15	-
Work-In-Progress		133.78	107.66
		253.04	232.13
Changes in Inventories		(20.91)	46.36

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

34 EMPLOYEE BENEFITS EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries & Wages		328.77	313.92
Contribution to Provident and Other Funds		30.52	31.45
Staff Welfare Expenses		11.36	11.97
		370.65	357.34
Less : Amount Capitalized		0.02	-
Total		370.63	357.34

35 FINANCE COST

Interest Expenses			
To Debenture Holders		62.27	62.27
To Banks on Term Loans, etc.		271.13	290.04
To Banks On Working Capital Loans		0.99	3.86
On Deposits and Others		24.50	21.62
Exchange Differences regarded as an adjustment to Borrowing Costs		20.90	7.20
Other Borrowing Costs			
Other Financial Charges		5.44	4.46
		385.23	389.45
Less : Amount Capitalized	35.1	14.71	11.81
Total		370.52	377.64

35.1 The capitalisation rate for the general borrowing is 7.82% p.a (previous year 6.35% p.a.).

36 DEPRECIATION AND AMORTISATION EXPENSE

On Tangible Assets		309.13	304.69
On Intangible Assets		30.13	27.73
On Investment Property		0.01	0.00
		339.27	332.42
Less: Transferred to Capital Work-in- Progress		0.15	0.26
Total		339.12	332.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

37 OTHER EXPENSES

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Manufacturing Expenses			
Stores & Spare Parts Consumed		238.04	208.81
Packing Materials Consumed		253.94	211.89
Power & Fuel		1,485.00	1,302.41
Royalty & Cess		124.47	87.24
Repairs to Buildings		16.34	15.08
Repairs to Machinery		68.97	59.66
Freight & Material Handling on Inter Unit Transfer		297.08	256.75
Increase/(Decrease) in Excise Duty & Cess on Finished Goods		-	(13.00)
Other Manufacturing Expenses		86.93	72.71
		2,570.77	2,201.55
Selling and Administration Expenses			
Brokerage & Commission on Sales		48.64	37.42
Transport & Forwarding Expenses		1355.94	1185.56
Insurance		7.95	6.40
Rent		24.63	22.69
Repairs to Other Assets		16.73	16.89
Rates & Taxes		11.34	12.51
Advertisement		49.46	53.01
Corporate Social Responsibility Expenses	49	3.47	4.24
Auditors' Remuneration	37.1	0.92	0.78
Loss on Revaluation of Live Stock		0.10	-
Net (Gain)/Loss on Foreign currency transaction and translation	37.2	19.08	17.70
Diminution in value of Non Current Investment		-	0.01
Investment in Associates written off		0.01	-
Goodwill on Consolidation written off		0.12	-
Net Provision for doubtful debts/advances		0.63	0.33
Bad Debts		0.13	0.05
Directors' Fees		1.16	0.87
Other Expenses		176.62	171.03
		1,716.93	1,529.49
Total		4,287.70	3,731.04

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

37.1 Auditors' Remuneration

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
a) Statutory Auditors			
Audit Fees		0.43	0.43
Tax Audit Fees		0.07	0.07
Limited Review		0.17	0.17
Travelling Expenses		0.03	0.03
Issue of Certificates		0.17	0.03
		0.87	0.73
b) Cost Auditors			
Audit Fees		0.05	0.04
Travelling Expenses		0.00	0.01
		0.05	0.05
Total		0.92	0.78

37.2 Net (Gain)/Loss on Foreign Currency Transaction and Translation

Net (Gain)/Loss on foreign currency transaction and translation		35.95	11.34
Less: Amount Capitalised/(Decapitalized)		16.87	(0.98)
Add: Amortisation of Foreign Currency Monetary Item Translation Difference Account		-	5.38
Total		19.08	17.70

38 EXCEPTIONAL ITEM

On account of Entry Tax Liability	38.1	-	12.48
		-	12.48

38.1 Entry Tax Liability under the West Bengal Tax on Entry of Goods into Local Areas Act, 2012 for the period 2012-13 to 2016-17.

39 TAX EXPENSE

Current Tax		84.56	44.59
Deferred Tax			
On Other Items		85.84	(0.69)
Less : MAT Credit Entitlement		88.10	17.20
		(2.26)	(17.89)
Income Tax for earlier years		(20.56)	(20.81)
Total		61.74	5.89

39.1 Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Comprehensive Income

Income before Income taxes		317.44	159.84
Indian Statutory Income tax Rate	39.2	34.944%	34.608%
Estimated Income tax expenses		110.93	55.32
Tax Effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:			
Deduction under Chapter VIA			
Tax payable at different rate / Capital Gain		(28.40)	(23.20)
Deferred Tax Adjustment		(5.40)	(2.84)
Permanent Difference		6.65	(24.70)
MAT Credit Entitlement		11.11	10.77
IT Order Impact and Others		(16.70)	16.70
Income Tax for earlier years		4.11	(5.35)
		(20.56)	(20.81)
Income Tax expense in the Statement of Profit and Loss		(49.19)	(49.43)
		61.74	5.89

39.2 Applicable Indian Statutory Income Tax Rate for Fiscal Year 2019 and 2018 is 34.944% and 34.608% respectively. However, Group is required to pay tax u/s 115JB of Income Tax Act 1961.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

40 OTHER COMPREHENSIVE INCOME

40.1 Items that will not be reclassified to profit or loss

Particulars	Refer Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Remeasurement of the Defined Benefit Plans	6.2	0.69	7.63
Less: Tax expense on the above		0.22	2.65
		0.47	4.98
Revaluation Surplus		-	1,054.92
Less: Tax expense on the above		(0.74)	234.25
		0.74	820.67
Equity Instruments through Other Comprehensive Income		19.24	30.21
Less: Tax expense on the above		-	(38.08)
		19.24	68.29

40.2 Items that will be reclassified to profit or loss

Debt Instruments through Other Comprehensive Income		(0.24)	(0.64)
Less: Tax expense on the above		0.16	(0.22)
		(0.40)	(0.42)
Total Other Comprehensive Income for the year (Net of Tax)		20.05	893.52

41 Contingent Liabilities and Contingent Assets :

41.1 Claims/Disputes/Demands against the Group not acknowledged as debt :

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
a	Sales Tax, VAT, CST and Entry Tax matters	165.75	172.26
b	Excise Duty, Service Tax, Goods & Service Tax and Custom Duty matters	100.47	81.73
c	Income Tax matters	10.53	35.28
d	Electricity Duty and Renewable Energy Surcharge matters	21.52	21.52
e	Royalty on Limestone	67.91	67.91
f	Others (Primarily related to demand for Alleged Impermissible Mining, Water Supply Charges, Stamp Duty, House Tax, Education Cess etc.)	52.08	41.64

41.2 The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

41.3 An Appeal has been filed by Budge Budge Floorcoverings Ltd, a subsidiary, before the Division Bench of the Hon'ble Calcutta High Court, for award against the subsidiary in respect of Suspension of Work and settlement of charter of demand made by the workers. The Division Bench of the Hon'ble Calcutta High Court has stayed the operation of award till further order. The contingent liability could not be ascertained at this stage.

41.4 In respect of the matters in note no. 41.1 to 41.3, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibility of any reimbursements to be made to the Group from any third party.

41.5 Other Contingent Liabilities

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
a	Bills discounted with Banks remaining outstanding	4.31	4.82
b	Customs Duty including interest thereon, which may have to be paid on account of non-fulfilment of Export Obligation under EPCG and Advance Licence Scheme	1.49	1.15

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

- 42** The Board of Directors of the Parent Company at its meeting held on 3rd May, 2019 have recommended a payment of final dividend of ₹ 7.50 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2019. The same amounts to ₹ 69.63 Crores (including dividend distribution tax of ₹ 11.87 Crores).

The above is subject to approval at the ensuing Annual General Meeting of the Parent Company and hence is not recognized as a Liability.

43 Commitments
Capital Commitments

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	871.97	170.84

44 Assets pledged as security

The carrying amounts of Assets Pledged as Security for Current and Non-Current Borrowings are:

Particulars	Refer Note No.	As at 31st March, 2019	As at 31st March, 2018
Current			
Financial Assets			
Trade Receivables	16	262.20	191.45
		262.20	191.45
Non-Financial Assets			
Inventories	14	782.71	686.59
Others	13	0.17	0.29
		782.88	686.88
Total Current Assets Pledged as Security		1,045.08	878.33
Non-Current			
Land	6	2,038.50	2,040.98
Buildings	6	547.65	550.80
Plant & Machinery	6	3,296.86	3,344.90
Others Tangible Assets	6	1,194.66	1,067.83
Other Non Current Assets	8 & 13	18.10	13.45
Total Non-Current Assets Pledged as Security		7,095.77	7,017.96
Total Assets Pledged as Security		8,140.85	7,896.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

- 45** Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015.

Sl. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year:		
	<u>Trade Payable</u>		
	Principal	7.30	1.47
	Interest	-	-
	<u>Other Financial Liability</u>		
	Principal	0.30	-
	Interest	-	-
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

46 Operating leases

46.1 As Lessee

The Group's significant leasing arrangements are in respect of operating leases for premises (residential, manufacturing-facilities, office, stores, godown, etc.). These leasing arrangements which are cancellable ranging between 11 months and 33 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

46.1.1 Future Minimum Lease Payments

At 31st March, the future minimum lease payments to be made under non-cancellable operating leases are as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Payables within one year	0.36	0.29
Payables later than one year but not later than five years	0.72	0.73
Payables later than five years	3.33	3.50

- 46.1.2** The Group has entered into leasing agreements under operating lease in respect of Land and Other Assets for original lease period ranging upto 33 years. Total operating lease expenses recognised in the Statement of Profit and Loss for the year is ₹ 24.63 Crores (previous year ₹ 22.69 Crores).

46.2 As Lessor

The Group leased out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in note no 7.

47 Earnings Per Share

Particulars	As at 31st March, 2019	As at 31st March, 2018
Profit for the year attributable to owners of the Parent Company	255.69	153.94
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic and diluted (₹)	33.21	19.99
(Face value of ₹ 10/- per share)		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

48 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013:
48.1 Defined Contribution Plan :

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
a	Provident Fund	2.96	2.84
b	Superannuation Fund	3.36	3.57
c	Pension Fund	7.58	7.59

48.2 Defined Benefit Plan:

The following are the types of defined benefit plans:

48.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

48.2.2 Pension Plan

Pension is payable to certain categories of employees who are eligible under the Group's Pension Scheme.

48.2.3 Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

48.2.4 Risk Exposure
Defined Benefit Plans

Defined benefit plans expose the Group to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk: Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

48.2.5 Reconciliation of the Net Defined Benefit Obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net Defined Benefit Obligation and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Balance at the beginning of the year	128.95	127.68	0.65	0.83
Current Service Cost	8.13	8.24	-	-
Interest Cost on Defined Benefit Obligation	9.08	8.62	0.04	0.05
Actuarial Gain and Losses arising from				
Changes in Demographic Assumptions	-	-	-	-
Changes in Financial Assumptions	1.73	(4.24)	0.01	(0.01)
Experience Adjustment	(2.54)	(2.20)	0.08	(0.10)
Benefits Paid	(15.72)	(9.15)	(0.12)	(0.12)
Balance at the end of the year	129.63	128.95	0.66	0.65

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

48.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its Components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Balance at the beginning of the year	131.36	120.70	-	-
Interest Income on Plan Assets	9.66	8.49	-	-
Remeasurement of Defined Benefit Obligation:				
Return on Plan Assets greater/ (lesser) than discount rate	(0.03)	1.08	-	-
Employer Contributions to the Plan	10.10	10.00	-	-
Benefits Paid	(15.17)	(8.91)	-	-
Balance at the end of the year	135.92	131.36	-	-

48.2.7 The amount recognised in the Balance Sheet

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Present value of Defined Benefit Obligation	129.63	128.95	0.66	0.65
Fair Value of Plan Assets	135.92	131.36	-	-
Net Asset/(Liability) recognised in the Balance Sheet	6.29	2.41	(0.66)	(0.65)

48.2.8 Expenses recognised in Profit and Loss

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Current Service Cost	8.13	8.24	-	-
Interest Cost	9.08	8.62	0.04	0.05
Interest Income on Plan Assets	(9.66)	(8.49)	-	-
Total Expenses recognised in Profit and Loss	7.55	8.37	0.04	0.05

48.2.9 Remeasurements (gain)/loss recognised in Other Comprehensive Income

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Actuarial (gain)/ Loss on Defined Benefit Obligation	(0.81)	(6.44)	0.09	(0.11)
Return on Plan Assets (greater)/ lesser than discount rate	0.03	(1.08)	-	-
Total remeasurements (gain)/loss recognised in Other Comprehensive Income	(0.78)	(7.52)	0.09	(0.11)

48.2.10 Major Categories of Plan Assets

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Qualified Insurance Policy	100%	100%	-	-
Insurer Managed Funds	100%	100%	-	-

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited and Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Ltd and Rel Group Gratuity Plus Plan offered by Reliance Nippon Life Insurance Co. Ltd. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

48.2.11 Asset-Liability Matching Strategy

The Group's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investments are being managed by these Insurance Companies and at the year end interest is being credited to the fund value. The Group has not changed the process used to manage its risk from previous periods. The Group's investments are fully secured and would be sufficient to cover its obligations.

48.2.12 Actuarials Assumptions

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Financial Assumptions				
Discount Rate	7.30%	7.50%	7.30%	7.50%
Salary Escalation Rate	5% to 8%	5% to 8%	-	-
Demographic Assumptions				
Mortality Rate	IAL (2006-08) Modified Ultimate	IAL (2006-08) Modified Ultimate	LIC (1996-1998) Ultimate	LIC (1996-1998) Ultimate
Withdrawal Rate	2% to 4%	2% to 4%	-	-

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

48.2.14 At 31st March 2019, the weighted average duration of the defined benefit obligation is 6 to 10 years (previous year 6 to 10 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Within 1 Year	17.32	18.36	0.10	0.11
1 to 2 Year	11.99	12.89	0.10	0.10
2 to 3 Year	13.03	12.14	0.10	0.10
3 to 4 Year	13.97	13.21	0.10	0.10
4 to 5 Year	15.02	14.07	0.10	0.10
More than 5 Years	86.52	83.32	0.41	0.46

48.2.15 The Group expects to contribute ₹ 2.25 Crores (previous year ₹ 2.59 Crores) to its gratuity fund in 2019-20.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Within next 12 months (next annual reporting period)	2.25	2.59	-	-
Between 2 and 5 years	5.55	4.00	-	-
Between 5 and 10 years	7.65	6.00	-	-
Beyond 10 years	11.00	10.00	-	-

48.2.17 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

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(₹ in Crores)

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2018-19	2017-18	2018-19	2017-18
Effect on DBO due to 1% increase in Discount Rate	(8.21)	(7.63)	(0.03)	(0.03)
Effect on DBO due to 1% decrease in Discount Rate	9.42	8.72	0.03	0.03
Effect on DBO due to 1% increase in Salary Escalation Rate	9.33	8.59	-	-
Effect on DBO due to 1% decrease in Salary Escalation Rate	(8.24)	(7.66)	-	-

Sensitivity due to mortality and withdrawal rate are being insignificant, hence ignored.

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

48.2.18 Provident fund for certain eligible employees is managed by the Company through the various Provident Fund Trusts, namely "M P Birla Group Provident Fund Institution", "Satna Cement Works Employees' Provident Fund Trust", "Birla Cement Works Staff Provident Fund Trust", "Birla Jute Mills Workers' Provident Fund Trust", "Soorah Jute Mills Employees' Provident Fund Trust", "Durgapur Cement Works Employees' Provident Fund Trust" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Trust has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall, except in one particular Trust, there is shortfall of ₹ 0.76 Crores & ₹ 0.85 Crores as at 31st March, 2019 & as at 31st March, 2018 respectively.

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March, 2019	312.14	318.29	6.15
As at 31 March, 2018	293.31	299.41	6.10

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31.03.2019	31.03.2018
Discount Rate (per annum)	7.30%	7.50%
Expected Rate of Return on Plan Assets (per annum)	9.73%	9.66%

The Company contributed ₹ 6.13 crore and ₹ 5.66 Crore during the year ended 31st March, 2019 and 31st March, 2018 respectively.

49 In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by The Institute of Chartered Accountants of India the requisite disclosures are as follows:

Particulars	For the year ended on	
	31st March, 2019	31st March, 2018
Gross amount required to be spent by the Parent Company during the year	3.41	4.24
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR expenditure	NIL	NIL

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(₹ in Crores)

49.2 Amount spent during the year on :

Sl. No.	Particulars	For the year ended on 31st March, 2019			For the year ended on 31st March, 2018		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i	Construction/ Acquisition of any asset	-	-	-	-	-	-
ii	On purposes other than (i) above	3.45	0.02	3.47	4.23	0.01	4.24

50 Companies included/not included in Consolidation :

Particulars		2018-19		2017-18	
		Extent of Shareholding	Relationship	Extent of Shareholding	Relationship
A	Companies included in Consolidation				
	Companies incorporated in India				
i	RCCPL Pvt. Ltd. (Formerly known as Reliance Cement Company Pvt. Ltd.)	100.00%	Subsidiary	100.00%	Subsidiary
ii	Birla Jute Supply Company Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
iii	Talavadi Cements Ltd.	98.01%	Subsidiary	98.01%	Subsidiary
iv	Lok Cements Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
v	Budge Budge Floorcoverings Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
vi	Birla Cement (Assam) Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
vii	M.P. Birla Group Services Pvt. Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
B	Companies not included in Consolidation				
	Companies incorporated in India				
i	Birla Odessa Industries Pvt. Ltd. (Dissolved w.e.f. 18th January, 2019)	48.61%	Associate	48.61%	Associate
ii	Birla Readymix Pvt. Ltd. (Dissolved w.e.f. 7th February, 2019)	46.73%	Associate	46.73%	Associate
	Company incorporated Outside India, Ethiopia				
	Name of the Company				
i	Birla Corporation Cement Manufacturing PLC (Under voluntarily winding up)	100.00%	Subsidiary	100.00%	Subsidiary

51 Talavadi Cements Ltd, one of the subsidiary, has been granted Mining Lease for 2130 Hectors in Satna District in the State of Madhya Pradesh. An appeal against the above grant has been filed. Pursuant to order of the Hon'ble Supreme Court, the subsidiary had filed Review Petition before the Hon'ble High Court at Jabalpur. The Hon'ble High Court vide its order dated 23rd October, 2018 dismissed the Review Petition and further directed the subsidiary to raise all questions of Law and facts before the State Government. Aggrieved by the above order the subsidiary again filed a SLP before the Hon'ble Supreme Court. By an order and judgment dated 15th April, 2019 the Hon'ble Supreme Court dismissed the SLP with a direction to the State Government to decide the matter in accordance with Law in terms of the order of the Hon'ble High Court of Jabalpur.

52 In view of decision of the Hon'ble Supreme Court dated 24th September 2014, the allocation of Bikram Coal Block to the Parent Company was cancelled. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Act, 2015, which inter alia provides for compensation to prior allottees against expenditure incurred on the cancelled coal block. The Parent Company has submitted its claim for compensation of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

amount incurred on Coal Block amounting to ₹ 16.10 Crores, against which ₹ 3.27 Crores has been refunded during the year. Consequential adjustment shall be made on settlement of the balance claim.

53 Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

53.1 The Parent Company's unit Soorah Jute mill is under Suspension of Operations since 29th March, 2004.

53.2 The Parent Company's unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

53.3 Budge Budge Floorcoverings Ltd, one of the subsidiaries considered for consolidation, is under Suspension of Operations since 29th October, 2003.

53.4 In respect of mining matter of Parent Company's unit Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing. Further, Principal Bench of National Green Tribunal on 8th March, 2019 has ordered to stop all mining activities which are being carried on within the municipal limites of Chittorgarh City and within 10 km of Bassi Wild Life Sanctuary or within Eco-Sensitive Zone of Bassi Wild Life Sanctuary, if finally notified. In the opinion of the management, there is no material impact of such order on the current operations of the Company.

53.5 Following Subsidiary/Associate Companies have not been Consolidated during the year as these are under Voluntarily Winding Up or Dissolved:

Name of the Company	Accumulated loss	
	As at 31st March, 2019	As at 31st March, 2018
Birla Corporation Cement Manufacturing PLC (Under voluntarily winding up)	0.45	0.45
Birla Odessa Industries Pvt. Ltd. (Dissolved w.e.f. 18th January, 2019)	-	0.06
Birla Readymix Pvt. Ltd. (Dissolved w.e.f. 7th February, 2019)	-	0.33

54 Fair Value Measurement

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.

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

54.1.1 The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.

54.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

54.1.3 The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

54.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the Consolidated Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

54.3 The following table provides classification of financial instruments and the fair value hierarchy of the Group's assets and liabilities:
(a) Disclosure for the year ended 31st March, 2019

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.00	0.00	-	-	-
Trade Receivables	262.20	262.20	-	-	-
Loan Receivables	1.62	1.62	-	-	-
Cash and Cash Equivalents	89.43	89.43	-	-	-
Other Bank Balances	49.53	49.53	-	-	-
Security Deposits	57.51	57.51	-	-	-
Other Deposits and Advances	5.88	5.88	-	-	-
Interest Accrued on Deposits	1.91	1.91	-	-	-
Fixed Deposits maturing after 12 months from Balance Sheet date	2.38	2.38	-	-	-
Other Financial Assets	2.37	2.37	-	-	-
Incentive and Subsidy Receivable	499.59	499.59	-	-	-
Sub Total	972.42	972.42	-	-	-
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	0.00	0.00	-	-	0.00
- Mutual Funds	599.32	599.32	599.32	-	-
Derivative Instrument	-	-	-	-	-
Sub Total	599.32	599.32	599.32	-	0.00
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	269.15	269.15	269.15	-	-
- Unlisted Equity Instrument	0.06	0.06	-	-	0.06
- Bonds and Debentures	7.20	7.20	7.20	-	-
- Government Securities	1.00	1.00	1.00	-	-
Sub Total	277.41	277.41	277.35	-	0.06
Total Financial Assets	1,849.15	1,849.15	876.67	-	0.06
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	680.00	689.53	-	-	689.53
Floating Rate					
- Rupee Term Loan	2,825.32	2,825.32	-	-	-
- Foreign Currency Term Loan	508.44	508.44	-	-	-
- Finance Lease Obligation	3.15	3.15	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Others - Rupee Term Loan	7.07	7.07	-	-	-
Short Term Borrowings	25.22	25.22	-	-	-
Trade Payables	627.31	627.31	-	-	-
Trade & Security Deposits	480.87	480.87	-	-	-
Amount Payable for Capital Goods	54.73	54.73	-	-	-
Interest accrued but not due on Borrowings	34.47	34.47	-	-	-
Employees Related Liabilities	37.73	37.73	-	-	-
Other Financial Liabilities	350.59	350.59	-	-	-
Sub Total	5,634.90	5,644.43	-	-	689.53
Financial Liabilities at fair value through Profit & Loss					
Derivative Instrument	6.35	6.35	-	6.35	-
Sub Total	6.35	6.35	-	6.35	-
Total Financial Liabilities	5,641.25	5,650.78	-	6.35	689.53

(b) **Disclosure for the year ended 31st March, 2018**

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.00	0.00	-	-	-
Trade Receivables	191.45	191.45	-	-	-
Loan Receivables	1.54	1.54	-	-	-
Cash and Cash Equivalents	107.88	107.88	-	-	-
Other Bank Balances	111.94	111.94	-	-	-
Security Deposits	50.27	50.27	-	-	-
Other Deposits and Advances	2.63	2.63	-	-	-
Interest Accrued on Deposits	2.60	2.60	-	-	-
Fixed Deposits maturing after 12 months from Balance sheet date	2.39	2.39	-	-	-
Other Financial Assets	2.42	2.42	-	-	-
Incentive and Subsidy Receivable	644.03	644.03	-	-	-
Sub Total	1,117.15	1,117.15	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	0.00	0.00	-	-	0.00
- Mutual Funds	413.72	413.72	413.72	-	-
- Derivative Instrument	0.56	0.56	-	0.56	-
Sub Total	414.28	414.28	413.72	0.56	0.00
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	249.93	249.93	249.93	-	-
- Unlisted Equity Instrument	0.06	0.06	-	-	0.06
- Bonds and Debentures	7.44	7.44	7.44	-	-
- Government Securities	1.00	1.00	1.00	-	-
Sub Total	258.43	258.43	258.37	-	0.06
Total Financial Assets	1,789.86	1,789.86	672.09	0.56	0.06
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	680.00	687.96	-	-	687.96
Floating Rate					
- Rupee Term Loan	2,538.84	2,538.84	-	-	-
- Foreign Currency Term Loan	843.32	843.32	-	-	-
- Finance Lease Obligation	0.13	0.13	-	-	-
Others - Rupee Term Loan	2.88	2.88	-	-	-
Short Term Borrowings	65.30	65.30	-	-	-
Trade Payables	511.21	511.21	-	-	-
Trade & Security Deposits	399.67	399.67	-	-	-
Amount Payable for Capital Goods	44.87	44.87	-	-	-
Interest accrued but not due on Borrowings	30.63	30.63	-	-	-
Employees Related Liabilities	30.90	30.90	-	-	-
Other Financial Liabilities	397.19	397.19	-	-	-
Sub Total	5,544.94	5,552.90	-	-	687.96
Financial Liabilities at fair value through Profit & Loss					
Derivative Instrument	0.09	0.09	-	0.09	-
Sub Total	0.09	0.09	-	0.09	-
Total Financial Liabilities	5,545.03	5,552.99	-	0.09	687.96

54.4 During the year ended 31st March, 2019 and 31st March, 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.

55 Financial Risk Management

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Board of Directors. The different types of risk impacting the fair value of financial instruments are as below:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

55.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

a) Trade Receivables

As at 31st March, 2019

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	92.49	122.04	18.28	7.96	37.68
Expected loss rate	0%	0%	0%	0%	43.14%
Expected credit losses (Loss allowance provision)	-	-	-	-	16.25
Carrying amount of trade receivables (net of impairment)	92.49	122.04	18.28	7.96	21.43

As at 31st March, 2018

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	73.14	78.02	14.57	3.39	39.14
Expected loss rate	0%	0%	0%	0%	42.94%
Expected credit losses (Loss allowance provision)	-	-	-	-	16.81
Carrying amount of trade receivables (net of impairment)	73.14	78.02	14.57	3.39	22.33

Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2018-19	2017-18
Loss allowance as at beginning	16.81	16.75
Changes in loss allowance (Net)	(0.56)	0.06
Loss allowance as at Year end	16.25	16.81

There are no customers who represents more than 10% of the total balance of Trade Receivables.

55.2 Liquidity Risk

The Group determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Group manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

55.2.1 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March, 2019 :

a) Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	-	627.31	-	-	-	627.31
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	-	-	-	-	250.00	250.00
1500 9.15% NCD 2021	-	-	-	150.00	-	150.00
1300 9.05% NCD 2020	-	-	-	130.00	-	130.00
1500 9.10% NCD 2020	-	-	150.00	-	-	150.00
Rupee Term Loan (Refer Note No 22.1(b))	-	51.78	53.80	1,091.01	1,649.48	2,846.07
Foreign Currency Term Loan (Refer Note No. 22.1(c))	-	36.18	108.97	365.47	-	510.62
Rupee Term Loan - Other (Refer Note No 22.1(d))	-	-	-	-	11.91	11.91
Finance lease obligations (Refer Note No. 22.2)	-	0.01	0.02	0.17	2.95	3.15
Short Term Borrowings	15.96	9.26	-	-	-	25.22
Other financial liabilities						
Trade & Security Deposits*	0.10	-	-	7.62	473.15	480.87
Amount Payable for Capital Goods	-	11.60	43.13	-	-	54.73
Interest accrued but not due on Borrowings	-	28.88	5.59	-	-	34.47
Employees related Liabilities	-	37.73	-	-	-	37.73
Others Financial Liabilities	1.48	341.25	-	7.86	-	350.59
Total	17.54	1,144.00	361.51	1,752.13	2,387.49	5,662.67
Derivative						
Derivative Instrument	-	3.64	2.71	-	-	6.35

* Based on management assumption

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2018:

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	0.01	323.98	187.22	-	-	511.21
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	-	-	-	-	250.00	250.00
1500 9.15% NCD 2021	-	-	-	150.00	-	150.00
1300 9.05% NCD 2020	-	-	-	130.00	-	130.00
1500 9.10% NCD 2020	-	-	-	150.00	-	150.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	-	22.54	29.57	773.37	1,735.29	2,560.77
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	-	147.94	35.34	644.58	19.44	847.30
Rupee Term Loan - Other (Refer Note No 22.1(d))	-	-	-	-	5.24	5.24
Finance lease obligations (Refer Note No. 22.2)	-	0.00	0.01	0.04	0.08	0.13
Short Term Borrowings	7.45	57.85	-	-	-	65.30
Other financial liabilities				-		
Trade & Security Deposits*	-	0.02	0.07	3.72	395.86	399.67
Amount Payable for Capital Goods	-	14.08	30.79	-	-	44.87
Interest accrued but not due on Borrowings	-	23.26	7.37	-	-	30.63
Employees related Liabilities	0.00	30.90	-	-	-	30.90
Others Financial Liabilities	1.41	234.92	153.01	7.85	-	397.19
Total	8.88	855.49	443.38	1,859.56	2,405.91	5,573.21
Derivative						
Derivative Instrument	-	-	0.09	-	-	0.09

* Based on management assumption

- c) The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

55.3 Market Risk

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 four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

55.3.1 Commodity Price Risk

The Group primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

55.3.2 Foreign Currency Risk

The Group has Foreign Currency Exchange Risk on imports of input materials, capital equipments and also borrows funds in foreign currency for its business. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

a) Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

I) Unhedge Foreign Currency Exposure

(Amount in Crores)

Particulars	31st March, 2019			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	-	-	-	-
Financial Liabilities				
Foreign Currency Term Loan	5.78	399.96	-	-
Trade Payables & Others (*)	0.06	4.13	0.04	3.17
Net Exposure (Liability)	5.84	404.09	0.04	3.17

(*) Does not includes CHF 3,060 and GBP 7,350 equivalent to ₹ 0.02 Crore and ₹ 0.06 Crore respectively.

Particulars	31st March, 2018			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	-	-	0.00	0.15
Financial Liabilities				
Foreign Currency Term Loan	9.39	612.17	-	-
Trade Payables & Others (*)	0.07	4.32	0.06	4.76
Net Exposure (Liability)	9.46	616.49	0.06	4.61

(*) Does not includes CHF 3,060 and GBP 2,450 equivalent to ₹ 0.02 Crore and ₹ 0.02 Crore respectively.

II) Hedged Foreign Currency Exposure

(Amount in Crores)

Particulars	31st March, 2019					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.05	3.46	-	-	-	-
Forward Contract against Firm Commitments	0.02	1.66	-	-	-	-
Derivative Liabilities						
Forward Contract - Against Payable	2.32	160.38	0.02	1.24	-	-
Forward Contract - Against Firm Commitments	2.10	145.31	0.05	4.14	-	-
Net Exposure (Liability)	4.35	300.57	0.07	5.38	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Crores)

Particulars	31st March, 2018					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.14	8.98	-	-	-	-
Forward Contract against Firm Commitments	0.05	3.40	-	-	-	-
Derivative Liabilities						
Forward Contract - Against Payable	4.40	286.96	0.05	3.68	-	-
Forward Contract - Against Firm Commitments	0.02	1.09	0.14	10.98	0.00	0.91
Net Exposure (Liability)	4.23	275.67	0.19	14.66	0.00	0.91

b) The Group uses interest rate swaps to hedge the Interest rate of External Commercial Borrowings of USD 10 Mn.

c) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure. The following table demonstrates the sensitivity in the USD, EUR, CHF and GBP to the Indian Rupee with all other variables held constant.

Particulars	31st March, 2019			31st March, 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
USD Sensitivity Increase	5%	(20.20)	(13.14)	5%	(30.82)	(24.25)
USD Sensitivity Decrease	5%	20.20	13.14	5%	30.82	24.25
EUR Sensitivity Increase	5%	(0.16)	(0.10)	5%	(0.23)	(0.18)
EUR Sensitivity Decrease	5%	0.16	0.10	5%	0.23	0.18

Sensitivity analysis for CHF and GBP are being insignificant, hence ignored.

55.3.3 Interest Rate Risk

The Group is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Group is also exposed to interest rate risk on surplus funds parked in fixed deposits and Investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

(₹ in Crores)

Particulars	31st March, 2019	31st March, 2018
Fixed Rate Instruments		
Financial Assets	-	-
Financial Liabilities	680.00	680.00
	680.00	680.00
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	3,356.69	3,408.07
	3,356.69	3,408.07

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

b) Interest rate Sensitivity

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity.

Particulars	31st March, 2019			31st March, 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Interest Rate Increase by	0.50%	(16.78)	(10.92)	0.50%	(17.04)	(13.40)
Interest Rate Decrease by	0.50%	16.78	10.92	0.50%	17.04	13.40

55.3.4 Other Price Risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Group, fluctuation in their prices are considered acceptable and do not warrant any management.

a) Exposure to other market price risk

Particulars	31st March, 2019	31st March, 2018
Investment in Equity Instruments	269.15	249.93
Investment in Mutual Funds	599.32	413.72
Investment In Bonds	7.20	7.44
Investment in Government Securities	1.00	1.00
	876.67	672.09

b) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2019			31st March, 2018		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit after Tax	Other Equity		Profit after Tax	Other Equity
Market rate Increase	5%	43.83	28.52	5%	33.60	26.43
Market rate Decrease	5%	(43.83)	(28.52)	5%	(33.60)	(26.43)

56 Capital Management

The Group objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings net of lease obligation less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March, 2019	31st March, 2018
Debt Equity Ratio	0.67	0.76

57 Government grants during the year comprising Incentive and Subsidies include:

- 57.1** Tax incentive for Capital investments under various State Investment Promotion Schemes of ₹ 166.23 Crores (Previous Year ₹ 198.35 Crores).
- 57.2** Amortisation of the deferred revenue of ₹ 0.69 Crore (Previous Year ₹ 0.04 Crore) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.
- 57.3** Amortisation of the deferred revenue of ₹ 0.91 Crore (Previous Year ₹ 0.85 Crore) on account of Investment in Plant & Machineries under various State Investment Promotion Schemes.
- 57.4** Renewable Energy Certificates for generation of power from solar power plant under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 of ₹ 0.26 Crore (Previous Year ₹ 0.26 Crore).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

58 Segment Reporting

A) Primary Segment Information

Particulars	2018-19				2017-18			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
(a) External Sales	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93
(b) Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	-	4.69	6.21
Total	6,216.80	331.20	6.73	6,554.73	5,628.79	310.15	6.20	5,945.14
Less : Inter Segment Revenue	0.75	0.01	5.24	6.00	1.52	-	4.69	6.21
Revenue from Operations	6,216.05	331.19	1.49	6,548.73	5,627.27	310.15	1.51	5,938.93
Segment Result	671.07	10.57	(3.19)	678.45	503.62	17.34	(2.82)	518.14
Add:								
(i) Interest Income				24.78				31.43
(ii) Unallocated Income net of unallocated Expense				(15.27)				(12.09)
Less:								
(i) Interest Expense				370.52				377.64
Profit before Tax				317.44				159.84
Tax Expense								
Current Tax				84.56				44.59
Deferred Tax				(2.26)				(17.89)
Income Tax for earlier years				(20.56)				(20.81)
Profit after tax				255.70				153.95
Other Information								
Segment Assets	9,139.70	940.13	148.38	10,228.21	9,011.79	941.29	148.99	10,102.07
Unallocated assets				1,103.40				972.49
Total Assets				11,331.61				11,074.56
Segment Liabilities	1,456.92	25.80	1.58	1,484.30	1,361.39	25.63	1.33	1,388.35
Unallocated liabilities				5,352.05				5,406.36
Total Liabilities				6,836.35				6,794.71
Segment Capital Expenditure	381.84	7.53	0.06	389.43	225.93	6.36	2.75	235.04
Common Capital Expenditure				5.79				6.42
Total Capital Expenditure				395.22				241.46
Segment Depreciation	326.49	8.62	1.15	336.26	320.06	8.51	1.08	329.65
Common Depreciation				2.86				2.51
Total Depreciation				339.12				332.16

B) Secondary (Geographical) Segment Information

Geographical segment is identified as the secondary segment and details are given below:

Particulars	2018-19	2017-18
1. Revenue from external customers		
– Within India	6,515.35	5,869.38
– Outside India	33.38	69.55
Total	6,548.73	5,938.93

2. The Group does not have any tangible, intangible assets and non current operating assets located outside India.

3. During the year as well as previous year, no customer contributed 10% or more to the Group's revenue from operations.

C) Other Disclosures

The Group's operations predominantly relate to Cement and other products are Jute Goods, Auto Trims and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in these financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

59 Related Party Disclosures
59.1 Other related parties with whom transactions have taken place during the year and previous year are :

Nature	Name of the Company	
Entities exercising significant influence over the Group	Vindhya Telelinks Ltd.	
	August Agents Ltd.	
	Insilco Agents Ltd.	
	Laneseda Agents Ltd.	
Nature	Name of the Company	
Associates	Birla Readymix Private Limited (Dissolved w.e.f. 7th February, 2019)	
	Birla Odessa Industries Private Limited (Dissolved w.e.f. 18th January, 2019)	
Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Bachh Raj Nahar	Managing Director
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor
	Mr. Vikram Swarup	Directors
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon	
	Mr. Dhruba Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
	Mr. Dilip Ganesh Karnik	
Nature	Name of the Company	
Post employment benefit plan Trust	Satna Cement Works Employees' Provident Fund	
	Soorah Jute Mills Employees' Provident Fund Trust	
	M P Birla Group Provident Fund Institution	
	Birla Cement Works Staff Provident Fund	
	Birla Jute Mills Workers' Provident Fund Trust	
	Durgapur Cement Works Employees' Provident Fund	
	Birla Corporation Limited, Employees Gratuity Fund	
	Birla DLW Ltd. Employees Gratuity Fund	
	Birla Corporation Superannuation Fund	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

59.2 Transactions during the year

Particulars	2018-19				2017-18			
	Associates	Entities exercising significant influence over the Group	Key Management Personnel	Post employment benefit plan Trust	Associates	Entities exercising significant influence over the Group	Key Management Personnel	Post employment benefit plan Trust
Sales of goods/services provided	-	0.75	-	-	-	0.77	-	-
Purchase of goods/ services received	-	1.87	-	-	-	0.83	-	-
Receipt of rent	-	0.06	-	-	-	0.06	-	-
Advances given	-	-	-	-	0.00	-	-	-
Advances written off	-	-	-	-	0.00	-	-	-
Paid to Trust-Employees Provident Fund Contribution	-	-	-	6.13	-	-	-	5.66
Paid to Trust-Employees Gratuity Fund Contribution	-	-	-	8.60	-	-	-	10.00
Paid to Trust-Employees Superannuation Fund Contribution	-	-	-	3.23	-	-	-	3.49
Remuneration, Perquisites & Others (Refer Note No. 59.2.1)	-	-	7.15	-	-	-	6.16	-
Dividend Paid	-	15.86	-	-	-	15.86	-	-
Dividend Received	-	0.00	-	-	-	0.00	-	-

59.2.1 Key Management Personnel compensation

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Short-Term Employee Benefits	5.58	4.86
Post-Employment Benefits	0.52	0.51
Long-Term Employee Benefits	0.12	0.11
Director's Sitting Fees	0.93	0.68
Total Compensation	7.15	6.16

59.3 Balance Outstanding as at the balance sheet date

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade Payables	0.14	0.03
Entities exercising significant influence over the Group		
Provision for Employees benefit	0.52	2.29
Post employment benefit plan Trust		
Trade Receivables	-	0.00
Entities exercising significant influence over the Group		
Other Receivables	-	0.01
Entities exercising significant influence over the Group		
Short-term employee benefits	0.80	0.61
Key Management Personnel		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

59.4 Terms and Conditions of transactions with Related Parties:

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Group has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

60 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates:

Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share of Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Crores)	As % of consolidated Profit or Loss	(₹ in Crores)	As % of consolidated other comprehensive income	(₹ in Crores)	As % of total comprehensive income	(₹ in Crores)
Parent								
Birla Corporation Limited	94.01	4,225.97	53.88	137.78	100.16	20.08	57.25	157.86
Subsidiaries								
Indian								
1. Birla Jute Supply Co. Ltd.	0.03	1.31	0.02	0.04	(0.00)	(0.00)	0.01	0.04
2. Talavadi Cements Ltd.	0.20	8.99	0.06	0.16	-	-	0.06	0.16
3. Lok Cements Ltd.	(0.05)	(2.40)	(0.02)	(0.05)	-	-	(0.02)	(0.05)
4. Budge Budge Floor Coverings Ltd.	0.04	1.78	(0.06)	(0.15)	0.14	0.03	(0.04)	(0.12)
5. M.P. Birla Group Services Pvt. Ltd.	0.00	0.00	(0.00)	(0.00)	-	-	(0.00)	(0.00)
6. Birla Cement (Assam) Ltd.	0.00	0.03	(0.00)	(0.00)	-	-	(0.00)	(0.00)
7. RCCPL Pvt. Ltd. (Formerly known as Reliance Cement Company Pvt. Ltd.)	56.46	2538.15	46.23	118.22	(0.30)	(0.06)	42.85	118.16
Minority Interest in all subsidiaries	0.00	0.04	0.00	0.01	-	-	0.00	0.01
Consolidation adjustments	(50.69)	(2,278.61)	(0.12)	(0.30)	-	-	(0.11)	(0.30)
Total	100.00	4,495.26	100.00	255.70	100.00	20.05	100.00	275.75

61 Previous year figures have been regrouped/rearranged/reclassified wherever necessary. Further, there are no material regroupings/ reclassifications during the year.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata
Date : 3rd May, 2019

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

NOTES

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BIRLA CORPORATION LIMITED

CIN-L01132WB1919PLC003334

Registered Office : 'Birla Building', 9/1, R.N. Mukherjee Road, Kolkata- 700 001.

E-mail: investorsgrievance@birlacorp.com

Website: www.birlacorporation.com

Phone: (033) 6616 6729/6737/6738

ATTENDANCE SLIP

Name and Address of the Shareholder(s)

DP Id **

Client Id **

Folio No.

No. of Shares



MP BIRLA
GROUP

Full Name of the Member/
Proxy attending the meeting

I hereby record my presence at the NINETY-NINTH ANNUAL GENERAL MEETING of the Company being held at **Kalpataru Uttam Mancha**, 10/1/1, Monohar Pukur Road, Kolkata- 700 026 on Tuesday, the 13th day of August, 2019 at 10.30 a.m.

Signature of the attending Member/Proxy

** Applicable for investors holding shares in electronic form.

- Notes :**
1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance, duly signed.
 2. Shareholder/Proxyholder is requested to bring their copies of the Annual Report and Accounts with them to the Meeting.



MP BIRLA
GROUP

BIRLA CORPORATION LIMITED

ELECTRONIC VOTING

The Company is providing electronic voting (e-voting) facility for the Resolutions contained in the Notice convening the 99th Annual General Meeting on Tuesday, the 13th August, 2019. The procedure for e-voting has been mentioned in the aforesaid Notice. Your User ID and Password for e-voting purposes are given below:

Electronic Voting Event Number (EVEN)	User ID	Password

Registration Slip for Tab Voting

Registered Folio No./DP ID & Client ID No.
Name of the Shareholder
No. of shares held

Signature of the Shareholder/Proxy holder



BIRLA CORPORATION LIMITED

CIN-L01132WB1919PLC003334

Registered Office : 'Birla Building', 9/1, R.N. Mukherjee Road, Kolkata- 700 001.

E-mail: investorsgrievance@birlacorp.com Website: www.birlacorporation.com

Phone: (033) 6616 6729/6737/6738

99TH ANNUAL GENERAL MEETING

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 No. /Client ID No.* :

* Applicable for investors holding shares in electronic form.

[We being the Member(s) of shares of Birla Corporation Limited hereby appoint

(1) Name : Address :

E-mail ID : Signature :, or failing him / her

(2) Name : Address :

E-mail ID : Signature :, or failing him / her

(3) Name : Address :

E-mail ID : Signature :

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 99th Annual General Meeting of the Company to be held on Tuesday, the 13th day of August, 2019 at 10.30 a.m. at **Kalpataru Uttam Mancha**, 10/1/1, Monohar Pukur Road, Kolkata- 700 026 and at any adjournment thereof in favour of/ against the Resolution(s) as are indicated below:

Resolution No.	Description
Ordinary Business:	
01.	Consider and adopt : a) Audited Standalone Financial Statements for the financial year ended 31st March, 2019 and Reports of the Directors and Auditors thereon; and b) Audited Consolidated Financial Statements for the financial year ended 31st March, 2019 and the Report of Auditors thereon.
02.	Declaration of Dividend on Ordinary Shares for the financial year ended 31st March, 2019.
Special Business:	
03.	Retirement by rotation of Shri Bachh Raj Nahar (DIN: 00049895), Director of the Company (Ordinary Resolution).
04.	Re-appointment of Ms. Shalaja Chandra (DIN: 03320688) as a Non-Executive Independent Director (Special Resolution).
05.	Payment of Commission to Non-Executive Directors including Independent Directors of the Company (Ordinary Resolution).
06.	Payment of Commission to Shri Harsh V. Lodha (DIN: 00394094), Non-Executive Chairman of the Company for the financial year 2019-20 (Special Resolution).
07.	Ratification of Remuneration of the Cost Auditors of the Company (Ordinary Resolution).

Signed this day of 2019

Signature of Shareholder(s)

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) For the Resolutions, Statement pursuant to Section 102 of the Companies Act, 2013 and Notes, please refer to the Notice of the 99th Annual General Meeting.
- (3) Please complete all details including details of member (s) in the above box before submission.





BIRLA CORPORATION LIMITED

www.birlacorporation.com