



21<sup>st</sup> July, 2016

BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai 400 001.  
Tel.: 2272 1233/34  
Fax: 022 2272 2039/3121  
**Scrip Code: 532538**

The Manager  
Listing Department  
The National Stock Exchange of India Limited  
"Exchange Plaza", Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051.  
Tel.: 26598236  
Fax: 2659 8237 / 38.  
**Scrip Code: ULTRACEMCO**

**Sub: Submission of Annual Report for FY 2015-2016**

Dear Sir,

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2015-2016 duly approved and adopted by the Members of the Company at the Annual General Meeting held on 19<sup>th</sup> July, 2016.

The same is for your records, please.

Yours very truly,

A handwritten signature in blue ink, appearing to read "S. K. Chatterjee".

S. K. Chatterjee  
Company Secretary

Encl. a/a.

**UltraTech Cement Limited**

Registered Office :  
B - Wing, Ahura Centre, 2nd Floor  
Mahakali Caves Road, Andheri (E), Mumbai - 400093

Tel. 022-66917800 / 29267800  
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Website [www.ultratechcement.com](http://www.ultratechcement.com)  
[www.adityabirla.com](http://www.adityabirla.com)  
CIN L 26940MH2000PLC128420



ANNUAL REPORT  
2015 -16

UltraTech Cement Limited



**BIG ON GROWTH**  
BASED ON STRONG FUNDAMENTALS



Mr. Aditya Birla

We live by his values.  
Integrity, Commitment, Passion, Seamlessness and Speed.



## THE CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder,

### Global Economy

The global scenario continues to be trapped in a low growth trajectory, despite the steep drop in crude oil and commodity prices. Furthermore, a barrage of monetary stimulus has driven down interest rates close to zero in many of the advanced economies. With the monetary stimulus option by and large exhausted, governments are more likely to turn to fiscal and structural measures to revive growth.

The IMF projects global growth to inch up from 3.1% in 2015, to 3.2% in 2016, and increasing to 3.5% in 2017. Growth in the advanced economies is projected at 1.9% in 2016, with US growth pegged at 2.4%, Europe at 1.5% and Japan at 0.5%. Growth in the emerging markets in 2016, overall, is projected at 4.1%, much of it coming from China, India and the ASEAN region. Growth in Latin America is expected to be only 0.5%, on account of a 3.8% decline in growth in Brazil. No sustained upside is seen in oil and commodity prices in 2016.

The path ahead for the global economy remains challenging, with greater uncertainties thrown in. Concerns persist about the slowdown in China and its ability to shift smoothly from export-led to domestic-led growth. Fiscal pressures will accentuate in the oil producing countries, including the rich Middle-East countries. Financial markets remain nervous and exchange rate volatility has been pronounced. This is reinforced by the impending reversal of the interest rate cycle in the US.

Against the backdrop of a muted global economy, India's economy is an outperformer .....  
.....The government is also committed to meeting the current year's fiscal target of 3.5% of GDP. Overall, the economic fundamentals are sound.

## Indian Economy

Against the backdrop of a muted global economy, India's economy is an outperformer. For 2016-17, GDP growth is projected at 7.5%. This would make it the fastest growing among the large economies. This is particularly creditable in the context of two successive unfavourable monsoons and a decline in exports. Recent data indicate a 5.7% year-on-year growth in eight of the key core sector industries, against 2.3% growth registered last year.

Inflationary pressures have been contained. The rise in the consumer price index averaged 4.9% in 2015-16, down from 5.9% in the previous year. The wholesale price index declined 2.5% on an averaged basis, compared to a rise of 2.0% in the previous year. In 2015-16, merchandise exports and imports each fell over 15% over 2014-15. The trade deficit in 2015-16 was US\$ 118.5 billion, a decline of 14% over the previous year. The current account deficit narrowed sharply from US\$ 26.1 billion to US\$ 22.0 billion, representing 1.4% of GDP. India's foreign exchange reserves, as at March-end 2016 were US\$ 360.2 billion. The government is also committed to meeting the current year's fiscal target of 3.5% of GDP. Overall, the economic fundamentals are sound.

There have also been positive moves on the policy front, in areas related to ease of doing business, promoting start-ups, rationalising the tax structure and administration, and opening up more areas for foreign investment through the automatic route. The government is substantially stepping up infrastructure spending.

Having said that, some issues come to the fore. For instance, capital investment will take time to revive, given stretched corporate balance sheets, low capacity utilisation, (at only 72.5% in the organised industrial sector), and competition from imports. Slow global output and trade growth will continue to impact exports. There is also the overhang of non-performing assets in the banking sector. Much more also needs to be done to "monsoon-proof" the Indian economy.

The growth in the manufacturing sector has been subdued, including a decline in the output of capital goods. UltraTech too has faced headwinds. Construction activity including the housing sector has been running in slow gear.

Despite these headwinds, your Company recorded revenues of US\$ 3.86 billion (Rs.25,281 crores) and EBITDA of US\$ 0.784 billion (Rs.5,109 crores ) a rise of 7%.

Let me briefly dwell on the milestones reached in FY 2015-16. The year saw the commissioning of your Company's grinding units in Haryana and West Bengal. A cement bulk terminal at Pune in Maharashtra went on stream as well and a Grinding unit was commissioned in Bihar in April, 2016. Consequently, your Company's cement capacity has climbed upto 66.3 mtpa from 60.2 mtpa in the previous year.

Definitive agreements have been signed for the acquisition of cement plants of Jaiprakash Associates Limited in Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh. These plants have

a capacity of 21.2 mtpa. This acquisition will be fructified through a court sanctioned scheme within a time frame of 12 months. After this is in place, your Company's cement capacity shall rise up to 87.5 mtpa in India. Together with its overseas operations and on-going expansion, UltraTech's capacity will move on to an impressive 91.1 mtpa. With a sense of pride I record that UltraTech is the largest cement player in India and the 4<sup>th</sup> largest on the world stage (excluding China).

With the addition of 26 MW waste heat recovery systems during the year, the total waste heat recovery capacity is now 59 MW. Besides this, your Company has a 717 MW thermal power capacity, both of which cater to more than 88% of its total power requirement.

## **Outlook**

India is moving on to a higher growth trajectory and to that extent, the cement sector is poised for a pick-up in growth – around 7% in FY 16-17. The Government's push on the infrastructure front will give an added impetus to the cement industry. Your Company has robust plans to proactively ride this next phase of growth in India.

Despite yet another year of dismal growth in volumes, we have achieved good results. This has been largely due to deft cost management, a concerted move towards on-streaming of new capacities, focus on efficiency improvement, productivity and customer centricity. Our employees have unflinchingly rallied around us. And for this, I would say a big "thank you" to all of them.

## **The Aditya Birla Group: In perspective**

At the Group level, we have done well both in terms of revenue and earnings. As a matter of fact, the EBIDTA attained has been the highest ever.

Having worked extensively on the people front for over a decade, I am happy to state that our leadership processes are now mature. At the management level we have built quality bench strength.

The Chairman's Series launched last year for senior leaders in the areas of business strategy, finance and personal leadership saw 150 of our senior most leaders recourse to these learning interventions.

To create a leadership pipeline to the Business Head roles within the next couple of years, we have created the Aditya Birla Fellows programme. The managers who have won this recognition are put in charge of critical Group-wide projects under my personal oversight. Up until now, we have named 14 managers who have tremendous potential to rise to the stature of Business Heads, going forward.

A slew of other initiatives have been set afoot to grow leaders from within. To do so, we have announced a hiring freeze at the middle and senior management levels for the next 3 years. It paves the way for accelerated talent growth.

In this context, I am happy to state that our accelerated leadership programme Cutting Edge, which prepares high potential leaders for P&L

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India is moving on to a higher growth trajectory and to that extent, the cement sector is poised for a pick-up in growth – around 7% in FY 16-17. The Government's push on the infrastructure front will give an added impetus to the cement industry. Your Company has robust plans to proactively ride this next phase of growth in India.

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Our people are fully aware of what business needs to succeed. They are committed to contribute their best to our values based, performance driven, meritocratic culture. We are future ready.

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positions across our Group is gaining traction. It was launched last year. Up until now, 20 of the 35 graduates of this programme have already moved roles to take on higher responsibilities.

Furthermore, the 250+ youngsters who joined us over 6 years ago as Group Management Trainees, in our Leadership Associate Programmes (Lead) and Leadership Programme for Experienced youngsters (Leap), are shaping well. In the last 2 years nearly a 100 from this lot have moved across functions and businesses. Additionally, we have 25 mid-career participants who have joined us in the Group Manufacturing Leadership Programme. They too are making significant contributions in our manufacturing business units.

The first batch of 14 participants in "Spring Board", (a programme designed specially for high calibre women) graduated commendably to higher roles. The second batch of 39 women leaders is making good progress on their way to greater responsibilities. As of now, we have nearly 5,000 women (14%) in the managerial cadre.

In the last 3 years, we have had more than 1,100 inter-business and over 1,000 intra-business transfers of employees across levels.

At Gyanodaya, the Aditya Birla Global Centre for Leadership Learning over 2,000 managers enrolled for learning programmes. With a mix of academics and live case studies, these programmes enable our people to keep abreast of the developments in their area and stay contemporary. Side by side, the Gyanodaya Virtual Campus hosts more than 500 e-learning modules in multiple languages. During the year, over 25,000 employees chose to access these programmes.

The Aditya Birla Group Leadership Programme aimed at securing young talent from the top tier Business Schools of India has become aspirational. I am happy to record that our Group's brand attractiveness has taken a quantum leap across 35 top B-Schools in India. Our Group features among the formidable Top-5 in the A C Nielsen – CRI Campus Recruitment India Index 2015.

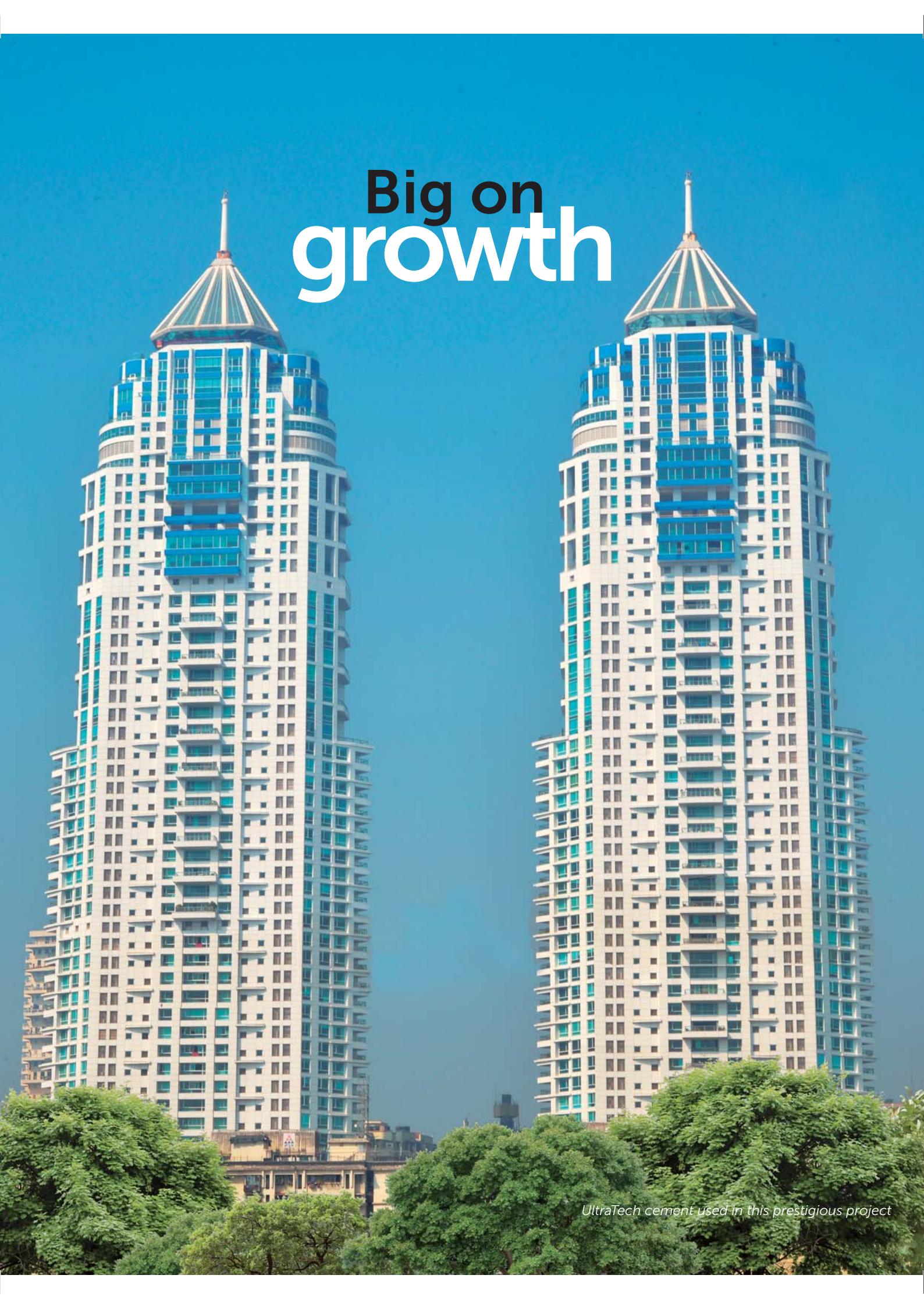
### **In sum**

All these moves are a testament to our commitment to accord a World of Opportunity for our people and they are leveraging it. Our people are fully aware of what business needs to succeed. They are committed to contribute their best to our values based, performance driven, meritocratic culture. We are future ready.

Your's sincerely,



Kumar Mangalam Birla

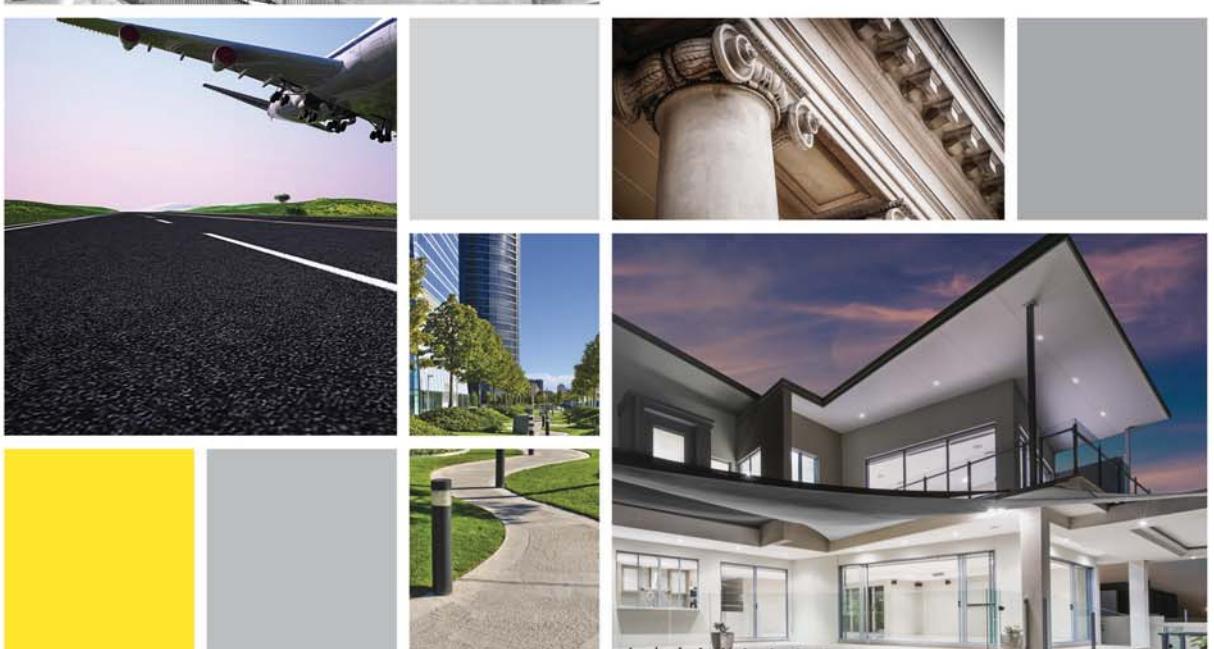


# Big on growth

*UltraTech cement used in this prestigious project*



At UltraTech, Big  
on Growth is an  
attitude.  
A relentless pursuit  
of excellence.



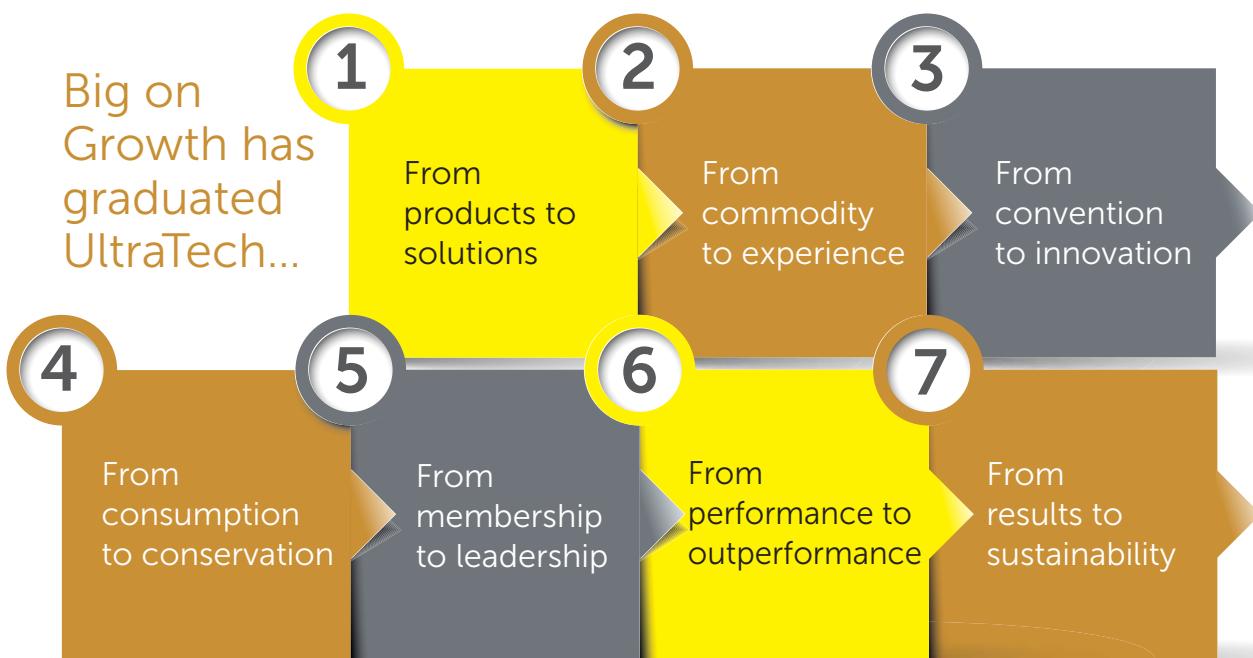
**Inspired** by a distinctive UltraTech attitude prompting us to ask, 'What will the country need tomorrow?' and then planning for it through capacity accretion today.

**Motivated** by a restless UltraTech attitude continuously seeking an answer to 'How can we move towards greater consumer convenience and delight?'

**Prompted** by a passionate UltraTech attitude challenging employees with, 'Can we manufacture the best quality at the lowest cost?'

**Provoked** by an irrepressible UltraTech attitude that questions, 'Will this be good for country, customer, community and earth as well?'

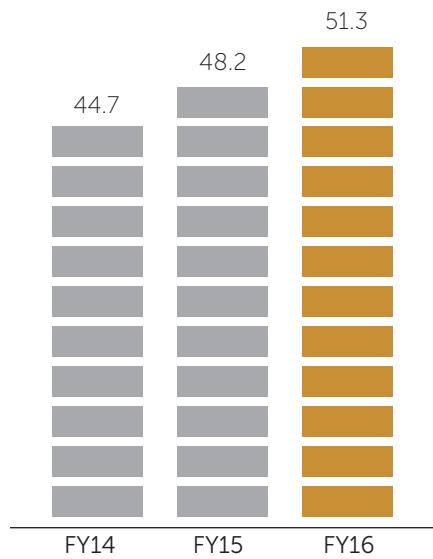
*Big on Growth. Destroys barriers. Extends frontiers.*



**Big on Growth  
has translated  
into a consistent  
improvement  
in our financial  
numbers**

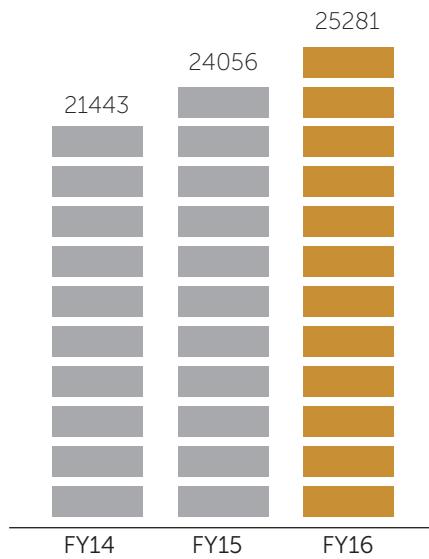


#### Sales by volume (MT)



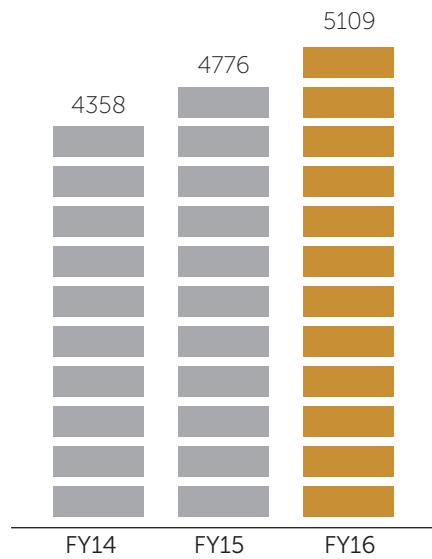
Our aggregate sales (including subsidiaries) increased 7 per cent to 51.3 million tonnes in FY 16, which compared favourably with the 4.7 per cent growth of the country's cement sector and 7.6 per cent growth of the national economy.

#### Sales by value (₹/crs)

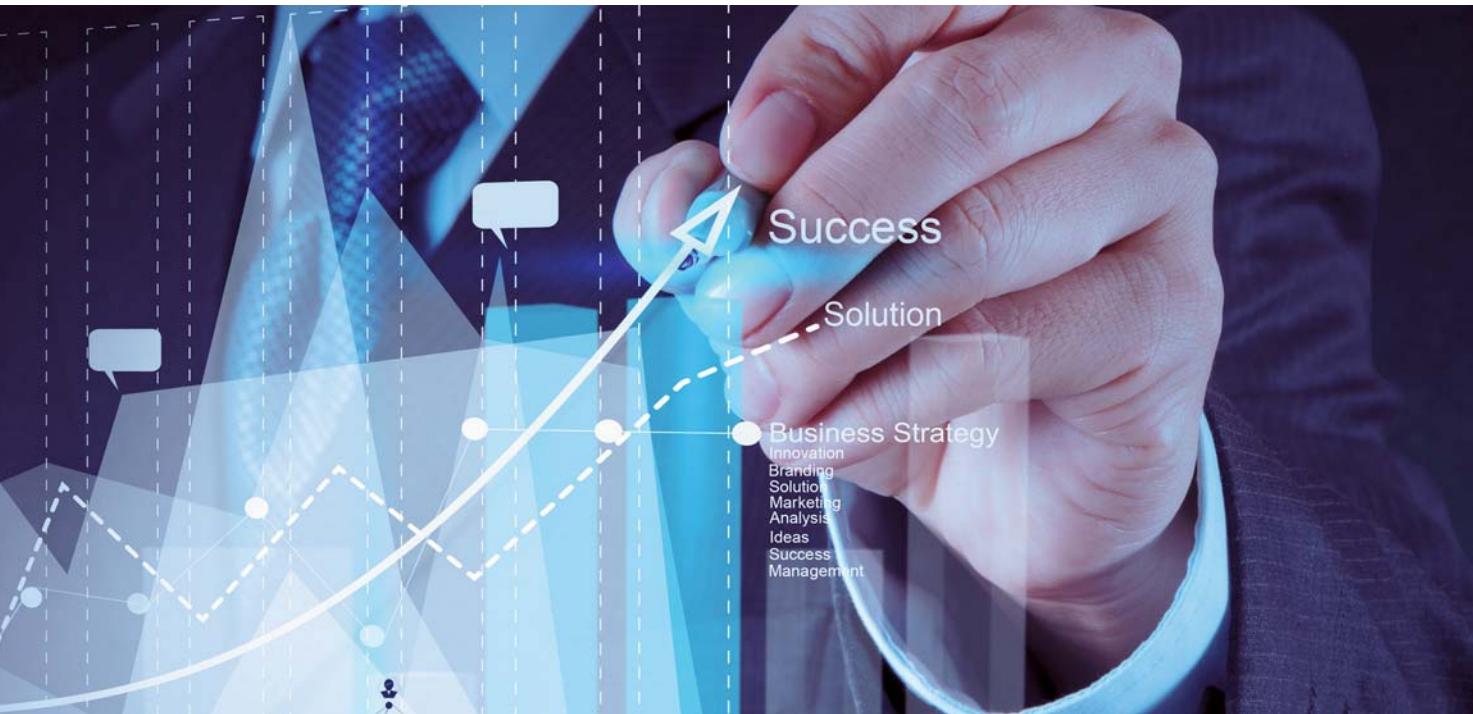


The Company's sales by value increased every single year reflected in market leadership and growth.

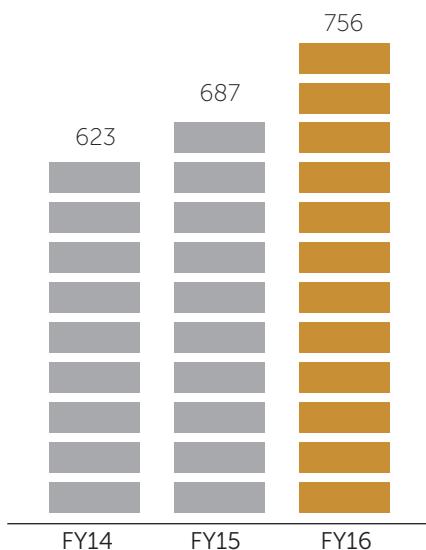
#### Operating profit growth (EBIDTA) (₹/crs)



The Company's operating profit grew every single year through the last three years following acquisitions, capacity investments, cost reduction and product mix changes.

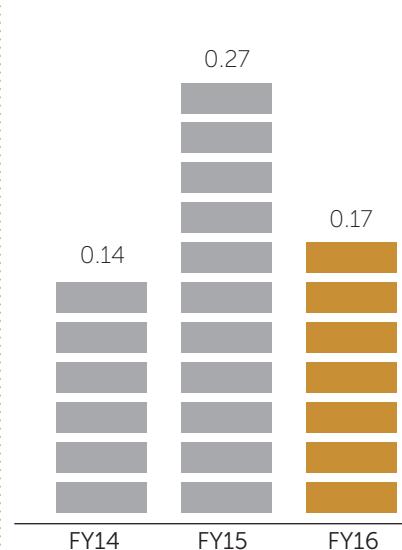


### Book value per share (₹)



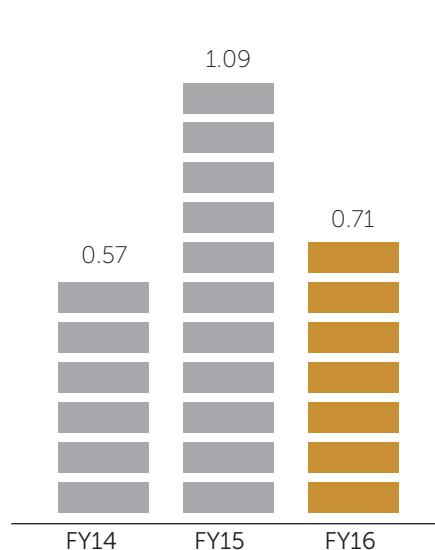
14% growth in book value over a period of 5 years.

### Net Debt - Equity Ratio



The Company's gearing moderated from a peak of 1.58 in 2005 to 0.17 in FY16, inspite of several expansion/acquisition projects undertaken during the period.

### Net Debt/EBITDA (%)



The Company's debt servicing abilities grew from a peak of 4.06 in 2005 to 0.71 in 2016 indicating growing ability to service debt.

At UltraTech, Big on Growth has translated into diverse achievements across its entire eco-system



#### ■ Overview

**1**

Rank of UltraTech in India's cement industry by size

**4**

Rank of UltraTech in the global cement industry by size, 2016 (excluding China)

**88600**

Market capitalization (Rs cr), 31 March 2016

#### ■ Scale

**13**

Integrated units

**19**

Grinding units

**5**

Jetties

**7**

Bulk packaging terminals (sea + rail)

**2**

White Cement and Putty Units

**100**

Ready Mix Concrete Plants in 35 cities

**59**

The capacity of waste heat recovery systems (MW)

**2.7**

Millions bags dispatched every single day

**28000**

Destinations to which the company dispatches cement

**67.7**

Cement manufacturing capacity (mn TPA)

**22842**

Towns and cities where UltraTech is present

**5**

Countries where UltraTech has operations



#### ■ People

**40**

Average age of employees  
(years)

**14400+**

UltraTech employees

**81**

Team Vibes Score (%)  
reflecting employee  
engagement

#### ■ Efficiency

**4.6**

Renewable energy (million  
units)

**40**

% of capacity enhancement  
through debottlenecking

**70**

% of fuel comprising  
pet coke

#### ■ Sustainability

**49**

% of water consumption  
addressed through  
recycling and rainwater  
harvesting

**4**

Million trees at our plants

**78**

% reduction in Loss Time  
Injury Frequency Rate,  
2016 compared with 2008

**93**

% employees who  
underwent safety training

**407**

Villages where UltraTech  
conducts CSR programmes

**13**

Lac persons whose lives  
have been touched by  
UltraTech's CSR

**13**

States where UltraTech  
conducts CSR programmes

# Big on Growth is about putting India first

At UltraTech, Big on Growth is being able to provide the largest cement capacity to feed the world's fastest growing economy.

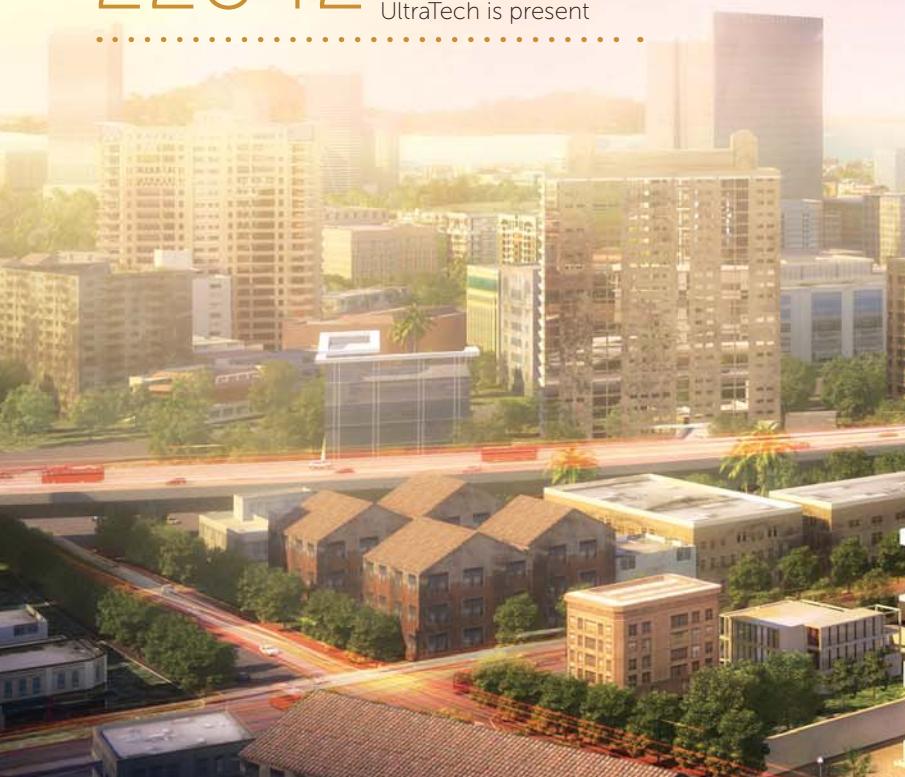
UltraTech responded to this national priority by investing ahead of the industry curve. The result is that the Company is India's largest manufacturer for grey cement, white cement and ready mix concrete - by far.

The Company's products and expert services are used in building dams, highways, bridges and other infrastructure showpieces on the one hand as well as for individual homes and apartment buildings on the other.

To address India's problem of creating good quality roads, we introduced the concept of White Topping, which provides cost effective concrete overlay over existing roads in less time. Similarly, for the congested pockets of the country, which cannot be served by transit mixers carrying ready mix concrete, we developed UltraTech Concrete Zip, a pre-mixed concrete available in buckets for small concreting jobs.

22842

The number of towns and cities of India where UltraTech is present





UltraTech works closely with government schemes like Pradhan Mantri Gram Sadak Yojna, Swachh Bharat and Indira Awas Yojna, which are directed at enhancing rural infrastructure – affordable homes, roads and schools.

The result is that each time a bridge, road, dam

or home is constructed, there is a high likelihood that the cement or concrete going into it is from UltraTech.

*Big on Growth is really building the country from the grassroots upwards.*

#### Some Indian landmarks built with UltraTech's products

- |   |  |   |
|---|--|---|
| • Santa Cruz-Chembur Link Road, Mumbai    | • Metro Rail Projects - across the country | • 4000 MW Coastal Gujarat Power Project                         |
| • Bandra-Worli Sea Link, Mumbai           | • Rajasthan Atomic Power Project           | • 19 kms Yeshwantpur-Nelamangala Six-Lane Expressway, Karnataka |
| • Mumbai International Airport Terminal 2 | • Gosikhurd Dam, Maharashtra               | • Pimpalgaon-Nasik-Gonde Road Project, Maharashtra              |
|   | • Mumbai Freeway                           |   |

UltraTech is a SuperBrand, one of Asia's Most Promising Brands, one of Asia's Most Admired Brands and among the Top 100 Economic Times' Architecture & Design Brands.



CAPACITY

**Big on Growth is about creating the largest profitable capacity**

At UltraTech, we believe that Big on Growth means enhancing profit faster and larger – across locations, sizes and time.

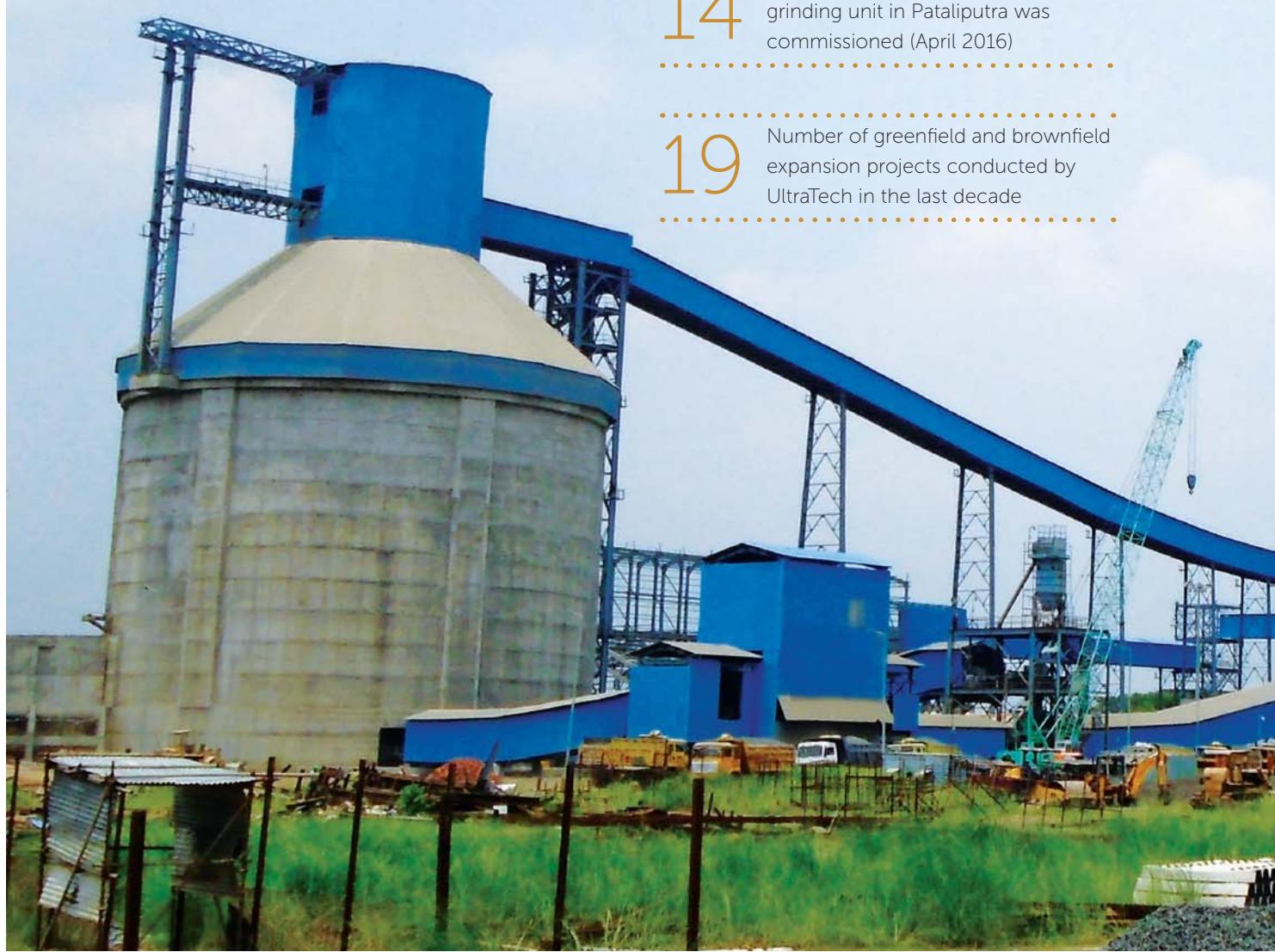
With 64.7 mtpa capacity in India at the close of 2015-16, we were the largest cement industry player nationally.

14

Number of months in which the grinding unit in Pataliputra was commissioned (April 2016)

19

Number of greenfield and brownfield expansion projects conducted by UltraTech in the last decade



We engaged in 19 greenfield and brownfield expansion projects in the last decade. We graduated to building plants of progressively larger denominations. We shrank plant building tenures to among the shortest global benchmarks. We engaged in the largest merger and acquisition deals in India's cement industry; 45 per cent of our capacity was derived through acquisitions; 20 per cent of these acquisitions were consummated in the five years ending 2015-16. The result is that we nearly five-folded our capacity since 2004, the largest quantum addition in India's cement industry.

During the last financial year, UltraTech increased cement grinding capacity 4.5 mtpa (greenfield units in Jhajjar in Haryana and Dankuni in West Bengal); a 1.6 mtpa cement grinding unit was commissioned in Pataliputra (Bihar) in April 2016. Besides, we commissioned a 2 mtpa cement packing terminal in Pune.

*Big on Growth means setting a relentless pace to augment cement capacity to serve our customers.*

## Where aspiration meets achievement

**1983** First cement plant.  
Capacity: 0.5 mtpa

**1998** Group consolidation.  
Capacity: 8.5 mtpa

**2004** Acquired L&T Cement  
Ltd. Capacity: 31 mtpa

**2008-10** Greenfield projects,  
brownfield expansions, de-  
bottlenecking. Capacity: 48.8 mtpa

**2010** Acquired Star Cement.  
Capacity: 51.8 mtpa

**2015** Acquisition in Gujarat.  
Capacity: 63.2 mtpa

**2016** Greenfield/brownfield  
expansion. Capacity: 67.7 mtpa  
(including 3 mtpa overseas)



GROWTH WITH RESPONSIBILITY

## Big on Growth means getting more out of less

At UltraTech, Big on Growth means seeking gains not just from a competitive market place but from within as well.

Over the last few years, UltraTech has invested extensively in research (product and process comprising cement and concrete chemistry and technologies) for the benefit of company, customer, country and world.

The UltraTech research team works closely on technical issues with its sales and manufacturing teams to create a wider product mix: the result is that we make more than 20 speciality concretes addressing diverse applications. This ability is directed at a moving goalpost in terms of demanding construction applications. For instance, in multi-storeyed applications, the Company responded with a concrete quality that could be pumped vertically to around 300m without hardening or setting; in lateral applications, it became possible to pump 3000m with similar results. The development of this product empowered builders to construct taller, quicker and more efficiently, enhancing the country's construction competence.

Over the last number of years, UltraTech's research team enhanced process efficiency. The Company's kilns are

capable of operating at 140 per cent of their rated capacities following plant de-bottlenecking and maximised asset utilisation.

Besides, the Company rationalised energy consumption, accelerated water conservation, moderated the use of finite fossil fuels and increased environment protection.

The Company moderated power consumption (kwh per tonne of cement produced) by 4.1 units, which is one of the lowest power consumption benchmarks in the country. The Company's 59 MW waste heat recovery capacity (5.1% of the Company's total energy consumption) was complemented by an increase in waste heat recovery from 60 million units to 187 million units over the last couple of years, probably the highest quantum of waste heat consumed productively in the global cement industry.

The Company uses industrial waste as alternative fuel in cement manufacture, reducing the requirement of natural raw materials without compromising end product quality while moderating our carbon footprint.

The Company has quadrupled pet coke consumption, increasing the proportion of pet coke to more than 70% of the fuel mix; most UltraTech units are now driven completely by pet coke, reducing the cost of core fuels.

The Company moderated carbon emissions per ton of



% of the Company's water requirement addressed through waste water recycling and rainwater harvesting

cementitious material from 759 kg in 2006 to 649 kg in 2016. The Company addressed 49 per cent of its water requirement through waste water recycling and rainwater harvesting. The focus on safer workplace practices resulted in an improvement in our Loss Time Injury Frequency Rate from 1.55 injuries in 2008 per million person-hours to 0.33 in 2016, a reduction of 78%.

The Company's social responsibility extended to the generation of 4.6 million units of renewable energy, the creation of a green belt of more than 4 million trees, a high score of 95 on the Indian Climate Disclosure Leadership Index and an improvement in the Safety Management Evaluation score from 1.2 in 2009 to 2.7 in the latest survey. Besides, UltraTech Concrete was the first in India to meet demanding LEED requirements.

*Big on Growth is about making the world even better.*

### At UltraTech ...

Technology Innovation & Knowledge Management Centre drives pathbreaking technological innovation.

- More than 50 scientists and engineers
- Focus on raw-mix, process improvements (clinker-cement conversion ratio) and the use of cost-effective hard-to-burn fuels.
- Extends beyond conventional cost management to knowledge-based innovation.

UltraTech's Star Cement in Dubai embarked on the challenging exercise to moderate water consumption in 2015-16. A number of initiatives were listed. The odds appeared high. The Company created teams, delegated responsibilities and empowered. The result: the plant achieved a significant 34% reduction in water consumption. Specific water consumption declined from 110 litres per MT of clinker in 2014-15 to 69 litres per MT of clinker in 2015-16



PEOPLE

## Big on Growth means creating an enabling environment where people can grow

At UltraTech, Big on Growth means growing people first.

Over the decade, we have emerged as the fastest growing employer of cement professionals – from 3,000 to 14,400 across five countries.

We have brought as much of a commitment to making enduring investments in our 14,400 employees as we have demonstrated in our plants and process investments.

**ULTRATECH TECHNICAL TRAINING CENTRE**



**93**

% employees who underwent  
safety training

**40**

Average age of an  
UltraTech employee



This priority was reinforced through prudent talent attraction, retention and engagement with the objective to create a robust talent pipeline at all levels and provide a 'world of opportunities' to employees.

This investment was reflected in the person-hours of skill building investments going into our people when they join the company and throughout their engagement. Our diverse programmes like Margadarshan, FrontStep, Lakshya and Sparsh provide opportunities for technical and cross-functional skilling and knowledge sharing.

We took this commitment ahead through the creation of the 120-room UltraTech Technical Training Centre in 2015 at one of our plant locations, strengthening our 'Engineer's choice' positioning. The state-of-the-art training centre is supported by more than 40 subject matter experts. This unique forward-looking initiative in India's cement industry is dedicated to extensively training graduate engineer trainees and making them job-ready. Some 85 graduate engineer trainees (15% women) were trained across nine months in this residential facility during its first year of operation.

The other decisive initiative was the announcement of a '2/2/2 Philosophy', which implies that every employee must work across two businesses, two functions (or sub-functions) and two geographies for a broader understanding of the business and company, enabling them to become well-rounded leaders. Besides, the company announced a hiring freeze across the middle and senior management levels to provide the vast pool of younger managers with opportunities to progressively grow into positions of seniority and responsibility.

The mix of these initiatives resulted in a high 81% Team Vibes Score which reflects the level of engagement with employees.

*Big on Growth is about making UltraTech the most driven -by-passion cement company.*



CORPORATE SOCIAL RESPONSIBILITY

**Big on Growth means  
making the world better  
where one goes**



At UltraTech, we measure our Big on Growth success through the smiles of millions of community members around our manufacturing facilities.

Over the years, we extended the prosperity at our doorstep into a number of adjacent and proximate communities.



Even before it became mandatory to invest a proportion of our annual profit into community engagement, the company engaged in a number of programmes to raise life standards at the bottom of the country's economic pyramid.

UltraTech invested in various community programmes: health care, education, infrastructure, sustainable livelihood and social reform.

The result is that the company is touching the lives of more than 1.3 million beneficiaries across 407 villages and 18 model villages across 13 states today.

Of the 407 villages that we work in, we have selected 54 to be transformed into model villages by 2017 - self-reliant in education, healthcare, infrastructure, agriculture, watershed management and sustainable livelihood.

We follow a partnership approach with like-minded organisations like district rural development authorities, local hospitals, healthcare institutions and district panchayati raj institutions.

*Big on Growth is about transforming destinies.*



### Our CSR vision

"To actively contribute to the social and economic development of the communities in which we operate. In doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index."



# Financial Highlights

Particulars	Units	2015-16	2014-15	2013-14	2012-13
<b>PRODUCTION (Quantity)</b>					
- Clinker	Mn.T	<b>37.07</b>	35.69	31.52	31.75
- Cement	Mn.T	<b>47.56</b>	43.88	40.79	40.13
<b>SALES (Quantity)</b>					
- Clinker	Mn.T	<b>0.24</b>	0.73	0.34	0.50
- Cement	Mn.T	<b>47.72</b>	44.12	41.13	40.16
<b>PROFIT &amp; LOSS ACCOUNT</b>					
Gross Sales	₹ Crs	<b>27,074</b>	25,710	22,803	22,705
Excise duty	₹ Crs	<b>3,233</b>	3,063	2,725	2,682
<b>Net Sales</b>	₹ Crs	<b>23,841</b>	22,648	20,078	20,023
Operating Expenses	₹ Crs	<b>19,491</b>	18,732	16,462	15,504
Operating Profit	₹ Crs	<b>4,350</b>	3,915	3,616	4,518
Other Income	₹ Crs	<b>501</b>	651	531	462
<b>EBITDA</b>	₹ Crs	<b>4,851</b>	4,567	4,147	4,980
Depreciation / Amortisation	₹ Crs	<b>1,289</b>	1,133	1,052	945
<b>EBIT</b>	₹ Crs	<b>3,562</b>	3,434	3,095	4,035
Interest	₹ Crs	<b>505</b>	547	319	210
<b>Profit Before Tax</b>	₹ Crs	<b>3,057</b>	2,887	2,776	3,825
Tax Expenses	₹ Crs	<b>882</b>	872	631	1,170
<b>Net Profit</b>	₹ Crs	<b>2,175</b>	2,015	2,144	2,655
Cash Profit	₹ Crs	<b>3,723</b>	3,523	3,269	3,765
Dividend (incl. Dividend distribution tax)	₹ Crs	<b>314</b>	297	289	289
<b>BALANCE SHEET</b>					
Net Fixed Assets including CWIP & Capital Advances	₹ Crs	<b>24,344</b>	23,632	18,650	17,415
Investments (Non - Current & Current)	₹ Crs	<b>7,108</b>	5,209	5,392	5,109
Current Assets	₹ Crs	<b>6,400</b>	6,374	5,713	4,885
Current Liabilities	₹ Crs	<b>6,228</b>	6,151	5,161	4,859
Net Working Capital	₹ Crs	<b>172</b>	223	551	25
Capital Employed	₹ Crs	<b>31,624</b>	29,064	24,593	22,549
<b>Net Worth represented by:-</b>					
Equity Share Capital	₹ Crs	<b>274</b>	274	274	274
Reserves & Surplus	₹ Crs	<b>20,462</b>	18,583	16,823	14,961
<b>Net Worth</b>	₹ Crs	<b>20,736</b>	18,858	17,098	15,235
<b>Loan Funds *</b>					
Secured Loans	₹ Crs	<b>4,011</b>	3,234	2,678	2,656
Unsecured Loans	₹ Crs	<b>3,650</b>	4,180	2,522	2,753
<b>Total Loan Funds</b>	₹ Crs	<b>7,661</b>	7,414	5,199	5,409
Deferred Tax Liabilities	₹ Crs	<b>3,227</b>	2,792	2,296	1,906
<b>Capital Employed</b>	₹ Crs	<b>31,624</b>	29,064	24,593	22,549
<b>RATIOS &amp; STATISTICS</b>					
EBITDA Margin	%	<b>20%</b>	20%	21%	25%
Net Margin	%	<b>9%</b>	9%	11%	13%
Interest Cover (EBITDA/Gross Interest)	Times	<b>9.31</b>	7.76	10.46	15.09
ROCE (PBIT/Average Capital Employed)	%	<b>12%</b>	12%	13%	20%
Current Ratio	Times	<b>1.03</b>	1.04	1.11	1.01
Debt Equity Ratio (Net)	Times	<b>0.06</b>	0.16	0.02	0.05
EPS	₹ / Share	<b>79.25</b>	73.44	78.21	96.87
Cash EPS	₹ / Share	<b>135.66</b>	128.41	119.22	137.36
Book Value per share	₹ / Share	<b>756</b>	687	623	556
No.of Equity Shares	Nos. Crs	<b>27.44</b>	27.44	27.42	27.42

\* Short Term Borrowings and Current maturities of Long Term debts have been included in Loan Funds. Current maturities of Long Term debts have been excluded from Current Liabilities.

2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
31.31	26.75	15.55	15.07	14.35	14.22
39.43	32.92	17.64	15.87	15.07	14.64
0.97	1.56	2.46	2.38	2.09	2.50
39.77	33.23	17.77	15.80	15.02	15.17
20,425	14,855	7,729	7,160	6,286	5,484
2,267	1,649	679	777	777	574
18,158	13,206	7,050	6,383	5,509	4,911
14,162	10,646	5,078	4,679	3,783	3,493
3,996	2,560	1,972	1,704	1,726	1,418
523	262	122	106	101	61
4,519	2,822	2,094	1,810	1,827	1,479
903	766	388	323	237	226
3,617	2,056	1,706	1,487	1,589	1,253
224	273	118	126	82	87
3,393	1,783	1,588	1,361	1,507	1,166
947	379	495	384	499	384
2,446	1,404	1,093	977	1,008	782
3,356	2,167	1,589	1,481	1,228	992
255	191	87	73	73	57
14,798	12,506	5,201	5,313	4,784	3,214
3,789	3,730	1,670	1,035	171	483
4,359	3,759	1,472	1,372	1,304	960
4,195	3,454	1,299	1,253	1,279	755
164	305	173	119	25	205
18,750	16,541	7,044	6,467	4,980	3,903
274	274	124	124	124	124
12,586	10,392	4,484	3,478	2,572	1,639
12,860	10,666	4,609	3,602	2,696	1,764
2,160	2,790	854	1,176	983	1,151
1,993	1,355	750	966	758	427
4,153	4,145	1,605	2,142	1,741	1,579
1,738	1,730	831	723	542	560
18,750	16,541	7,044	6,467	4,979	3,903
25%	21%	30%	28%	33%	30%
13%	11%	16%	15%	18%	16%
17.27	10.24	15.38	14.66	19.94	16.88
20%	16%	25%	26%	36%	36%
1.04	1.09	1.13	1.09	1.02	1.27
0.05	0.06	-0.003	0.32	0.59	0.63
89.26	62.74	87.82	78.48	80.94	62.84
122.48	95.14	127.65	118.94	98.66	79.67
469	389	370	289	217	142
27.41	27.40	12.45	12.45	12.45	12.45

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REGISTERED OFFICE: 'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400093

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CIN: L26940MH2000PLC128420

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REGISTRAR & TRANSFER AGENT: Karvy Computershare Private Limited, "Karvy Selenium", Tower B, Plot No. 31-32,  
Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032.

Tel: +91 40 6716 2222 Fax: +91 40 2342 0814

# Team

## Board of Directors

Kumar Mangalam Birla

*Chairman*

Mrs. Rajashree Birla

Arun Adhikari

*Independent Director*

R. C. Bhargava

*Independent Director*

Mrs. Alka Bharucha

*Independent Director*

G. M. Dave

*Independent Director*

Rajiv Dube

Mrs. Sukanya Kripalu

*Independent Director*

S. B. Mathur

*Independent Director*

O. P. Puranmalka

Mrs. Renuka Ramnath

*Independent Director*

D. D. Rathi

K. K. Maheshwari

*Managing Director*

Atul Daga

*Whole-time Director and*

*Chief Financial Officer*

## Company Secretary

S. K. Chatterjee

## Executives

K. C. Jhanwar

*Deputy Managing Director and  
Chief Manufacturing Officer*

Vivek Agrawal

*Group Executive President and  
Chief Marketing Officer*

Gautam Chainani

*Chief Human Resource Officer*

Rahul Mohnot

*CEO – White Cement*

Sanjay Mathur

*Executive President – Ready Mix  
Concrete, Key Accounts and Aggregates*

## Corporate Finance Division

M. B. Agarwal

*Executive President*

S. Chakravarty

*Joint President – Finance*

Paresh Thacker

*General Counsel*

## Statutory Auditors

BSR & Co. LLP, Chartered Accountants, Mumbai

G. P. Kapadia & Co., Chartered Accountants, Mumbai

## Cost Auditors

N. I. Mehta & Co., Cost Accountants, Mumbai

N. D. Birla & Co., Cost Accountants, Ahmedabad

## Solicitors

Cyril Amarchand Mangaldas, Advocates & Solicitors, Mumbai

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

India's macroeconomic indicators remained robust, led by the decline in commodity prices and Government's prudent fiscal policies. India's GDP growth is pegged at 7.5% for 2015-16 and expected to sustain this growth momentum in FY17. Going forward, consumption is expected to rise following the Government's impetus on infrastructure development and allied sectors and implementation of the 7<sup>th</sup> Pay Commission recommendations, among others. An above-normal 2016 monsoon is predicted after two consecutive weak seasons and this should drive growth in the agriculture sector and help revive rural demand, the investment cycle and economic growth.

India's cement demand remained passive for most of FY16, particularly on account of low demand from the housing segment. However, there were signs of demand recovery in the last quarter, reflected in double-digit growth riding on higher infrastructure spending and development in Andhra Pradesh and Telangana. As the economy revives, the country's cement industry is expected to perform better.

With this background, we present, your Company's 2015-16 performance:

## BUSINESS AND FINANCIAL PERFORMANCE REVIEW

### Production and Capacity Utilisation

	FY16	FY15	% change
<b>Grey Cement</b>			
Installed capacity (MTPA)	64.65	60.15	7
Production (MMT)	47.56	43.88	8
Capacity Utilisation	76%	75%	1
<b>White Cement &amp; Wall Care Putty</b>			
Installed capacity (LMT)	14.80	14.80	-
Production (LMT)	13.21	12.04	10

MTPA - Million Metric Tonne Per Annum.

MMT - Million Metric Tonne. LMT - Lac Metric Tonne.

Your Company's cement capacity was augmented to 64.65 MTPA following greenfield capacity addition of 4.5 MTPA and commissioning of cement grinding plants at Jhajjar in Haryana and Dankuni in West Bengal. Your Company's cement production increased by 8% from 43.88 MMT in the previous year to 47.56 MMT. Capacity utilisation was an improved 76%

on a higher capacity base. White cement and wall care putty output grew 10%.

### Sales Volume

	FY16	FY15	% change
<b>Sales Volume (MMT)</b>			
<b>Domestic -</b>			
Cement (Grey)	46.93	43.38	8
Clinker	0.20	0.57	(65)
<b>Total</b>	<b>47.13</b>	<b>43.95</b>	<b>7</b>
<b>Exports -</b>			
Cement (Grey)	0.80	0.75	7
Clinker	0.04	0.15	(73)
<b>Total</b>	<b>0.84</b>	<b>0.90</b>	<b>(7)</b>
<b>Total Sales Volume</b>	<b>47.97</b>	<b>44.85</b>	<b>7</b>
White Cement & Wall Care Putty (LMT)	13.12	12.25	7

Your Company's domestic sales volume increased 8% to 46.93 MMT, which was higher than the estimated industry demand growth of 4.6%. Cement exports were also higher by about 7%. Sales volume for white cement and wall care putty registered 7% growth, largely supported by wall care putty performance.

### Financial Highlights

	(₹ in crores)		
	FY16	FY15	% change
Net Turnover	23,841	22,648	5
Domestic	23,538	22,347	5
Exports	303	301	1
Other Income	501	651	(23)
Total Expenditure	19,491	18,732	(4)
Profit Before Interest	4,851	4,567	6
Depreciation and Tax (PBIDT)			
<b>PBIDT Margin (%)</b>	<b>20</b>	<b>20</b>	<b>-</b>
Depreciation	1,289	1,133	(14)
Profit Before Interest and Tax (PBIT)	3,562	3,434	4
Interest	505	547	8
Profit Before Tax Expenses (PBT)	3,057	2,887	6
Tax Expenses	882	872	(1)
<b>Net Profit after Tax</b>	<b>2,175</b>	<b>2,015</b>	<b>8</b>

### **Net Turnover**

Your Company's net turnover was ₹ 23,841 crores, an increase of 5% over the previous year mainly on account of a 7% increase in sales volume. Selling prices remained under pressure and overall realisation declined 2% from ₹ 4,915/t in the previous year to ₹ 4,838/t.

### **Other Income**

Other income was 23% lower compared to the previous year. This decline was on account of lower treasury income during the year as surplus funds were invested in long-term mutual fund schemes due for maturity from the next financial year.

### **Operating Profit (PBIDT) and Margin**

PBIDT for the year at ₹ 4,851 crores was 6% higher than the previous year. Operating margin remained range-bound.

### **Cost Highlights**

#### (i) Energy Cost:

Overall energy cost declined 16% from ₹ 979/t during the previous year to ₹ 824/t on account of a softening in coal and petcoke prices, increase in petcoke consumption and a reduction in energy consumption norms.

The use of pet coke in kilns rose from 52% to 70% following modifications in raw mix design and other process improvements. Besides using petcoke in kilns, your Company also enhanced petcoke consumption in its thermal power plants. Your Company is evaluating the use of hazardous and non-hazardous wastes to address its energy requirements, which is in line with your Company's sustainable growth philosophy. Your Company disposed around 1.3 LMT of such waste in the kiln, resulting in a total fuel saving of about 2%.

Your Company commissioned 26 MW of Waste Heat Recovery Systems ("WHRS"), so the total capacity stands at 59 MW. These systems are stabilising and addressing around 5-6% of your Company's total power requirement.

#### (ii) Input material cost:

Raw material cost was up 4% from ₹ 444/t in the previous year to ₹ 464/t during the current year due to:

- increase in royalty on limestone from ₹ 63/t to ₹ 80/t from September, 2014; and

- additional levy for District Mineral Fund (DMF) set up under the Mines and Minerals (Development and Regulation) Amendment Act, 2015 which was made applicable from 12<sup>th</sup> January, 2015 @ 30% of royalty on limestone (₹ 24/t).

#### (iii) Freight and forwarding expenses:

Logistics cost increased marginally by 2% from ₹ 1,075/t to ₹ 1,099/t. While softening in diesel prices aided in controlling logistics cost, that was offset by extended rail freight and problems in rake availability. Your Company's road transportation cost increased from 67% to 69% of the total transport mix leading to consequent cost increases. Your Company is optimising its logistics mix and commissioning new capacities, which are expected to reduce lead distances.

#### (iv) Employee costs:

Employee costs increased 10% from ₹ 1,218 crores in the previous year to ₹ 1,342 crores, on account of annual increments and new plants commissioning.

### **Depreciation**

Depreciation for the year at ₹ 1,289 crores was higher by ₹ 156 crores over the previous year. In terms of the requirements of the Companies Act, 2013, your Company componentised its main assets wherever the component life was different from the main asset, resulting in an additional depreciation charge of ₹ 52 crores. This, together with the commissioning of new cement capacities, WHRS and other capitalisation to the extent of ₹ 2,868 crores, led to higher depreciation charge.

### **Finance Cost**

Your Company's overall finance cost at ₹ 505 crores was lower by ₹ 42 crores compared to ₹ 547 crores in the previous year following the repayment of borrowings during the year.

### **Income Tax**

Income tax expenses amplified marginally in line with the increase in taxable income.

### **Net Profit**

Profit after tax for the year was higher by 8% from ₹ 2,015 crores in 2014-15 to ₹ 2,175 crores.

## Cash Flow Statement

	FY16	FY15
	(₹ in crores)	
<b>Sources of Cash</b>		
Cash from operations	3,811	4,074
Non-operating cash flow	225	360
Proceeds from issue of share capital	3	2
Proceeds from sale of investments (net)	78	353
Increase in borrowings	246	-
Decrease in working capital	521	9
<b>Total</b>	<b>4,884</b>	<b>4,798</b>
<b>Uses of Cash</b>		
Net capital expenditure	2,036	2,593
Repayment of borrowings (net)	-	1,432
Interest	539	549
Dividend	293	288
<b>Total</b>	<b>2,868</b>	<b>4,862</b>
<b>Increase / (Decrease) in cash &amp; cash equivalents</b>	<b>2,016</b>	<b>(64)</b>

### Sources of Cash

#### Cash from operations

Cash from operations was lower compared to the previous year due to higher current tax and lower realisations despite larger sales volume and lower production costs.

#### Non-operating cash flow

Non-operating cash flow was lower compared to the previous year as a result of surplus funds being invested in long-term mutual fund schemes which are scheduled to be realised from the next year.

#### Increase in borrowings

Your Company mobilised ₹ 707 crores in long-term debt primarily in the form of non-convertible debentures and rupee-term loans. Net short-term borrowings mounted by ₹ 441 crores. Your Company repaid a long-term loan of around ₹ 901 crores in line with the repayment schedule.

Borrowings were maintained to fund on-going capital expenditure.

### Uses of Cash

#### Net capital expenditure

Your Company ploughed more than ₹ 2,000 crores in capital expenditure, a significant part of which was allocated towards capacity expansion and Waste Heat Recovery Systems. Your

Company also invested in capital expenditure to address regulatory requirements, plant maintenance and efficiency improvement initiatives.

## CONSOLIDATED PERFORMANCE

	(₹ in crores)	
	FY16	FY15
Net Turnover	25,281	24,056
<b>Profit Before Interest Depreciation and Tax (PBIDT)</b>	<b>5,109</b>	<b>4,776</b>
Interest	560	587
<b>Gross Profit (PBDT)</b>	<b>4,549</b>	<b>4,189</b>
Depreciation	1,368	1,203
<b>Profit Before Tax (PBT)</b>	<b>3,181</b>	<b>2,986</b>
Tax Expenses	892	884
<b>Net Profit before Minority interest</b>	<b>2,289</b>	<b>2,102</b>
Minority Interest	2	4
<b>Net Profit after Minority Interest</b>	<b>2,287</b>	<b>2,098</b>

## HUMAN RESOURCES

Human resources play a significant role in your Company's growth strategy. Your Company emphasised talent nurturing and retention, providing avenues for learning and development through functional, behavioral and leadership training programs, among others.

Your Company is engaged in a constructive relationship with employees with an emphasis on productivity and efficiency and underlining safe working practices.

As on 31<sup>st</sup> March, 2016, your Company's employee strength was 14,410 employees (14,436 employees).

## RISK MANAGEMENT

Risk management forms an integral part of your Company's operations. Your Company's risk management identifies potential risks, analyses their impact and responds with risk mitigation initiatives. Your Company's Risk Management Committee oversees the risk management process.

### Your Company identified the following key risks:

#### *Excess cement capacity*

The cement industry is experiencing a mismatch in cement supply and demand. The industry invested in additional capacity on the back of the government's projected infrastructure spending. However, the anticipated increase in cement

demand did not materialise, even as the incremental capacity was created. A slowdown in the rural economy aggravated the surplus situation. Going forward, incremental capacity addition is expected to be limited while cement demand is likely to improve, resulting in higher capacity utilisation.

#### *Securing critical resources*

Limestone and coal represent basic inputs in cement manufacture. Although your Company possesses sufficient limestone reserves for existing operations, securing additional reserves is critical to address your Company's expansion programme. Under the new Mines and Minerals (Development and Regulation) Amendment Act, 2015, any mining lease provided for captive use will be extended upto 31<sup>st</sup> March, 2030. In future, all mining leases will be granted through auction/bidding, which is likely to increase costs. With the government taking various measures viz. auction of coal mines to the private sector and removing bottlenecks at Coal India to enhance coal supply and given softer global coal demand, the risks relating to coal availability have declined. Your Company increased its petcoke consumption to reduce dependance on coal and continues to review its raw material and fuel mix with the objective of optimising the use of scarce raw material/fuel.

#### *Competition*

Competition in India's cement industry is becoming more intense, a reality likely to sustain. Your Company continues to enhance brand equity, value-added services, customer focus and cost optimisation.

#### *Compliance*

Business growth and increasing regulation has enhanced the need for compliances. Non-compliance could lead to penalties and loss of reputation. This risk has been mitigated through periodical monitoring and review of the regulatory framework to ensure complete compliance with all applicable statutes and regulations.

#### **CAUTIONARY STATEMENT**

*Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.*

#### *Financial risk*

Fluctuations in interest rates, exchange rates and commodity prices enhance the risk for cement players. Your Company implemented well-defined policies to counter the risks arising from currency movements, treasury investments, interest costs and imported commodities. These policies are periodically reviewed to align with the changes in financial market practices and regulations.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Internal controls encompass a set of rules, policies and procedures to provide reasonable assurance for achievement of an organisation's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies. Your Company's internal control systems are commensurate with the size and nature of its operation. Your Company has adequate internal financial controls which were tested by independent agencies and no material weaknesses were observed. Standard Operating Procedures are in place for critical areas of operations and the same are reviewed periodically. The internal audit team monitors the effectiveness of the internal control systems. The recommendations of the internal audit team on improvements in the operating procedures and control systems are for further strengthening the operating procedures.

#### **CONCLUSION**

The prospects of the country's cement industry are linked to economic growth. The Government's focus on infrastructure development, housing, Smart Cities, and Swachh Bharat Abhiyan, among others, are expected to strengthen cement demand and reduce oversupply, which augurs well for the sector.

# REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is given below:

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance refers to the way in which a company is directed, administered, and controlled and concerns the relationships among various internal and external stakeholders. Corporate governance also provides the structure through which the objectives of a company are set and the means of attaining those objectives and monitoring performance are determined.

Your Company's governance practices reflect the culture of trusteeship deeply ingrained in its value system and it is committed to the adoption of best governance practices and their adherence in true spirit at all times.

Your Company continuously strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

In terms of the Listing Regulations, the details of compliance are as follows:

### I. BOARD OF DIRECTORS

#### • Composition

Your Company's Board comprises of 12 (twelve) Directors, which include the Managing Director and 6 (six) Independent Directors. The details of the Directors with regard to outside directorships and committee positions are as follows:

Name of Director	Executive/Non- Executive/ Independent <sup>1</sup>	No. of outside directorship(s) held <sup>2</sup>		No. of outside committee position(s) held <sup>3</sup>	
		Public	Chairman	Member	
Kumar Mangalam Birla	Non-Executive	8	-	-	
Mrs. Rajashree Birla	Non-Executive	7	-	-	
Arun Adhikari	Independent	-	-	-	
R.C. Bhargava	Independent	7	3	2	
G.M. Dave	Independent	4	1	3	
Rajiv Dube	Non-Executive	1	-	-	
Mrs. Sukanya Kripalu	Independent	2	-	1	
S. B. Mathur	Independent	8	3	3	
Mrs. Renuka Ramnath	Independent	8	2	1	
D.D. Rathi	Non-Executive	-	-	-	
O. P. Puranmalka <sup>4</sup>	Non-Executive	1	-	-	
K. K. Maheshwari <sup>5</sup>	Managing Director	1	-	-	

1. *Independent Director means a Director as defined under Clause 16 of the Listing Regulations and Section 149 of the Companies Act, 2013 ("the Act").*
2. *Excluding directorships in private limited companies, foreign companies and companies under Section 8 of the Act.*
3. *Only two committees viz. the Audit Committee and the Stakeholders Relationship Committee of all public limited companies are considered.*
4. *Mr. O. P. Puranmalka retired as Managing Director of the Company with effect from the close of business hours on 31<sup>st</sup> March, 2016. He continues as Non-executive Director w.e.f. 1<sup>st</sup> April, 2016.*
5. *Mr. K. K. Maheshwari appointed as Additional Director and Managing Director w.e.f. 1<sup>st</sup> April, 2016.*
6. *No Director is related to any other Director on the Board, except for Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are son and mother respectively.*

- Non-Executive Directors' compensation and disclosures**

Sitting fees / commission paid to the Non-Executive Directors and Independent Directors are recommended by the Nomination, Remuneration and Compensation Committee of the Board of Directors and approved by the Board of Directors and shareholders. The details of sitting fees / commission paid to the Non-Executive Directors and Independent Directors are given separately in this Report.

- Other provisions as to Board and Committees**

The number of Board meetings held during the year, dates on which held and number of Directors present are as follows:

Date of Board Meeting	Board Strength	No. of Directors Present
25 <sup>th</sup> April, 2015	14	14
20 <sup>th</sup> July, 2015	13	11
19 <sup>th</sup> October, 2015	12	11
18 <sup>th</sup> December, 2015	12	9
20 <sup>th</sup> January, 2016	12	11
15 <sup>th</sup> February, 2016	12	8
31 <sup>st</sup> March, 2016	12	7

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board.

The Board has unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the meeting with the permission of the Chairman. The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Schedule II to Regulation 17 of the Listing Regulations and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure etc. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

In addition to the quarterly meetings, the Board also meets to address specific needs and business requirement of your Company.

The details of attendance of each Director at the Board meetings and the last Annual General Meeting (AGM) are as follows:

Name of Director	No. of Board Meetings		Attended Last AGM @
	Held	Attended	
Kumar Mangalam Birla	7	5	Yes
Mrs. Rajashree Birla	7	2	No
Arun Adhikari	7	5	Yes
R.C. Bhargava	7	7	Yes
G.M. Dave	7	7	Yes
Rajiv Dube	7	6	Yes
Adesh Gupta <sup>1</sup>	7	1	N.A.
Mrs. Sukanya Kripalu	7	7	Yes
S. B. Mathur	7	5	Yes
S. Rajgopal <sup>2</sup>	7	2	Yes
Mrs. Renuka Ramnath	7	3	No
D.D. Rathi	7	7	Yes
O. P. Puranmalka	7	7	Yes
Dilip Gaur <sup>3</sup>	7	7	Yes

@ AGM held on 28<sup>th</sup> August, 2015 at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.

1. Mr. Adesh Gupta resigned as Director of your Company w.e.f. 30<sup>th</sup> June, 2015.
2. Mr. S. Rajgopal retired as Independent Director w.e.f. 28<sup>th</sup> August, 2015.
3. Mr. Dilip Gaur resigned as Director w.e.f. the close of business hours on 31<sup>st</sup> March, 2016.

- **Code of Conduct**

The Board of Directors have laid down a Code of Conduct (“the Code”) for all Board members and senior management personnel of your Company. The Code is posted on your Company’s website [www.ultratechcement.com](http://www.ultratechcement.com).

All Board members and senior management personnel have confirmed compliance with the Code. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

- **Induction and training**

A letter of appointment together with an induction kit is given to Independent Directors at the time of their appointment setting out their roles, functions, duties and responsibilities. The Directors are familiarised with your Company’s business and its operations. Interactions are held between the Directors and senior management of your Company. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to your Company. They are periodically updated on the industry scenario, changes in regulatory framework and the impact thereof on the working of your Company. Familiarisation programme imparted to Directors is available on your Company’s website [www.ultratechcement.com](http://www.ultratechcement.com).

- **Performance evaluation of Board**

A formal evaluation mechanism is in place for evaluating the performance of the Board, Committees thereof, individual Directors and the Chairman of the Board. The evaluation was done based on criteria which includes, among others, providing strategic perspective, Chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability, role of the Committees.

- **Independent Director’s meeting**

A meeting of the Independent Directors was held, interalia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the 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 Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Inputs and suggestions received from the Directors were considered at the Board meeting and are being implemented.

- **Prevention of Insider Trading**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Conduct for trading in listed or proposed to be listed securities of your Company (“the Insider Code”). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Directors, Designated Employees and Connected Persons of your Company are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company by the Directors, Designated Employees and Connected Persons of your Company.

## II. AUDIT COMMITTEE

- **Composition, meetings, attendance during the year and sitting fees paid**

The Audit Committee of the Board comprises three Non-Executive Independent Directors. The members of the Audit Committee are financially literate. The composition of the Audit Committee complies with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

During the year, the Audit Committee meetings were held on 25<sup>th</sup> April, 2015; 20<sup>th</sup> July, 2015; 19<sup>th</sup> October, 2015; 20<sup>th</sup> January, 2016 and 31<sup>st</sup> March, 2016.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lacs)
	Held	Attended	
R.C. Bhargava	5	5	1.25
G.M. Dave	5	5	1.25
S. Rajgopal <sup>1</sup>	5	2	0.50
Mrs. Renuka Ramnath <sup>2</sup>	5	1	0.25

Mr. R. C. Bhargava is the Chairman of the Committee.

1. Mr. S. Rajgopal ceased to be a member of the Committee upon his retirement from the Board w.e.f. 28<sup>th</sup> August, 2015.
2. Mrs. Renuka Ramnath was appointed as member w.e.f. 28<sup>th</sup> August, 2015.

### Permanent Invitees

Mr. D. D. Rathi - Director of your Company.

Mr. Atul Daga - Chief Financial Officer of your Company.

The Statutory and Internal Auditors of your Company attend the Audit Committee meetings.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee acts as a link between the management, the statutory and internal auditors and the Board.

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosure and maintain the integrity and quality of financial reporting.

The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of your Company, oversight of your Company's financial reporting process so as to ensure that the financial statements are correct, sufficient and credible.

- **Role**

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 your 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 Act;
  - 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. Reviewing, with the management, the statement of uses / application of funds raised through an issue

(public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of your company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of your company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. 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.
16. 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.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- The Audit Committee reviews the following information
  - Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal audit reports relating to internal control weaknesses;
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor;
  - Statement of deviations:
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
    - Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

- Vigil Mechanism/Whistle Blower Policy**

The Company has in place a vigil mechanism pursuant to which a Values Committee has been constituted for addressing complaints received from Directors and employees concerning unethical behaviour, actual or suspected fraud and violation of the Code of Conduct or Ethics Policy of your Company. The policy provides for adequate safeguards against victimisation and all personnel have access to the Audit Committee.

### **III. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE**

- Composition, meetings, attendance during the year and sitting fees paid**

During the year, the Nomination, Remuneration and Compensation Committee ("the Nomination Committee") met thrice to deliberate on various matters. The meetings were held on 25<sup>th</sup> April, 2015; 19<sup>th</sup> October, 2015 and 18<sup>th</sup> December, 2015.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lacs)
	Held	Attended	
Kumar Mangalam Birla	3	3	0.60
G.M. Dave	3	3	0.60
Arun Adhikari	3	3	0.60

- Terms of reference of the Nomination Committee**  
The Nomination Committee is authorised to:

- set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and Senior Management of the quality required to run your Company successfully;
- set the relationship of remuneration to performance;
- check whether the remuneration provided to Directors and Senior Management includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of your Company and its goals;
- formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in Senior Management and recommend the same to the Board;
- review and implement succession and development plans for Managing Director, Executive Directors and Senior Management;
- devise a policy on Board diversity;
- formulate the criteria for determining qualifications, positive attributes and independence of Directors.

#### Employee Stock Options Scheme – 2006 ("ESOS-2006")

During the year, the Nomination Committee vested 1,972 Stock Options in eligible employees, subject to the provisions of the ESOS – 2006, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Further, the Nomination Committee allotted 20,653 equity shares of ₹ 10/- each of your Company to Option Grantees pursuant to the exercise of Stock Options under ESOS -2006.

#### Employee Stock Options Scheme – 2013 ("ESOS-2013")

During the year, the Nomination Committee vested 67,002 Stock Options to eligible employees, subject to the provisions of the ESOS – 2013, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Further, the Nomination Committee allotted 6,097 equity shares of ₹ 10/- each of your Company to Option Grantees pursuant to the exercise of Stock Options under ESOS -2013.

During the year, the Nomination Committee granted 24,329 Stock Options and 8,594 Restricted Stock Units to eligible employees of your Company subject to the provisions of ESOS - 2013. No Restricted Stock Units have vested in the option grantees in terms of the provisions of ESOS - 2013.

- **Remuneration Policy**

Your Company has adopted Executive Remuneration Philosophy/Policy and the same is disclosed in this Annual Report.

#### **IV. SUBSIDIARY COMPANY**

Your Company does not have any material non-listed Indian subsidiary company. The Audit Committee and Board reviews the financial statements, significant transactions and working of the unlisted subsidiary companies and the minutes are placed before the Board. Your Company has unlisted subsidiary companies in Sri Lanka, Middle East and Indonesia. The financial results of these companies are presented to your Company's Board. The policy for determining material subsidiaries is available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

#### **V. RISK MANAGEMENT**

In terms of the provisions of the Listing Regulations, your Company has constituted a Risk Management Committee comprising of Mr. Rajiv Dube - Non Executive Director, Mr. K. K. Maheshwari - Managing Director and Mr. K. C. Jhanwar, Deputy Managing Director and Chief Manufacturing Officer. Mr. Atul Daga, Chief Financial Officer of your Company, is a permanent invitee of the Committee. During the year, the Risk Management Committee met on 31<sup>st</sup> March, 2016.

The Risk Management Committee is mandated to review the risk management process of your Company.

The objectives and scope of the Risk Management Committee broadly include:

- Identification of risk relating to business;
- Assessment and classification of risk associated with the business;
- Mitigation plans to minimise risk;
- Monitoring various risk.

The Management Discussion and Analysis Report sets out the risks identified and the mitigation plans thereof.

#### **VI. RELATED PARTY TRANSACTIONS**

Related party transactions entered by your Company during the year were on arm's length basis and in the ordinary course of business. There were no material transactions with any related party as defined under the Act and the Listing Regulations. All related party transactions have prior approval of the Audit Committee and are reviewed by the Audit Committee on a quarterly basis.

The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

#### **VII. DISCLOSURES**

- **Disclosures on materially significant related parties**  
During the year, there were no material transactions with related parties of your Company.

Particulars of related party transactions are listed out in Note 41 of the Accounts.

- **Your Company has followed all relevant accounting standards while preparing the financial statements.**
- **Remuneration of Directors**

Based on the recommendation of the Nomination Committee, all decisions relating to remuneration of Directors are taken by the Board of your Company in accordance with the shareholder's approval, wherever necessary.

Shareholders have approved payment of commission to the Non-Executive Directors of an amount not exceeding 1% per annum of the net profit of your Company. The amount of commission payable is determined after assigning weightage to various factors which include, among others, types of meetings, providing strategic perspective, Chairmanship and other responsibilities. For the year 2015 – 2016, the Board has approved payment of ₹ 21.15 crores as commission to the Non-Executive Directors.

Details of remuneration paid / to be paid to the Directors for attending Board meetings and their shareholding in your Company are as under:

Name of Director	Sitting fees paid (₹ in lacs)	Commission payable (₹ in lacs)	Number of shares held
Kumar Mangalam Birla	3.10	1,903.50	14,065
Mrs. Rajashree Birla	1.00	105.75	41,701
Arun Adhikari	3.10	11.00	-
R.C. Bhargava	5.35	33.00	129
G.M. Dave	5.95	22.75	-
Rajiv Dube	3.20	1.00	-
Adesh Gupta	0.50	Nil	NA
Mrs. Sukanya Kripalu	3.50	12.50	-
S. B. Mathur	2.50	11.00	57
S. Rajgopal	1.70	5.00	-
Mrs. Renuka Ramnath	1.75	8.50	-
D.D. Rathi	4.10	1.00	2,515
O. P. Puranmalka	Nil	Nil	11,832
Dilip Gaur	Nil	Nil	-

The Directors do not hold any convertible instruments of your Company.

The details of remuneration paid to the Executive Directors are as follows:

Executive Director	Relationship with other Director	Remuneration during 2015-16			
		All elements of remuneration package i.e. salary, benefits, pensions etc.	Performance linked incentives, alongwith performance criteria (a) & (b)	Service contracts, notice period, severance fee	Stock option details, if any
O. P. Puranmalka Managing Director	-	₹ 599.12 lacs	₹ 313.93 lacs	See note (c)	See note (d)
Dilip Gaur Deputy Managing Director	-	₹ 309.36 lacs	₹ 43.67 lacs	See note (e)	See note (f)

- (a) Mr. O. P. Puranmalka was paid a sum of ₹ 313.93 lacs towards performance linked incentive for achievement of targets for the year 2014 – 15.
- (b) Mr. Dilip Gaur was paid a sum of ₹ 43.67 lacs towards performance linked incentive for achievement of targets for the year 2014 – 15.
- (c) Mr. Puranmalka retired as Managing Director of your Company w.e.f. the close of business hours on 31<sup>st</sup> March, 2016. He however continues as a Non-executive Director of your Company.
- (d) In terms of your Company's Employee Stock Option Scheme - 2013 ("ESOS-2013"), 15,042 stock options have vested in Mr. O. P. Puranmalka during the year.
- (e) Mr. Dilip Gaur resigned as Director w.e.f. the close of business hours on 31<sup>st</sup> March, 2016.
- (f) In terms of ESOS-2013, 3,760 stock options have vested in Mr. Dilip Gaur during the year.

There were no pecuniary relationships or transactions between your Company and Non-Executive Directors during the year. For further details please refer to the Directors' Report to the Shareholders.

All decisions relating to the remuneration of the Managing Director and Deputy Managing Director is taken by the Board based on the remuneration policy and in terms of the resolution passed / to be passed by the shareholders of your Company.

#### ● Management

- The Management Discussion and Analysis forms part of the Annual Report and is in accordance with the requirements of the Listing Regulations.
- No material transaction has been entered into by your Company with its related parties that may have a potential conflict with interests of your Company.

- Shareholders**

- Details of the Directors seeking re-appointment / appointment at the ensuing AGM are provided in the Notice convening the AGM.
- Press Releases and financial results are made available on the website of your Company ([www.ultratechcement.com](http://www.ultratechcement.com)) and also that of the Aditya Birla Group ([www.adityabirla.com](http://www.adityabirla.com)).

- Stakeholder Relationship Committee**

Composition, meeting, attendance and sitting fees paid during the year

A Stakeholder Relationship Committee has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director.

During the year, the Stakeholder Relationship Committee met on 25<sup>th</sup> April, 2015 and 19<sup>th</sup> October, 2015. The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lacs)
	Held	Attended	
R. C. Bhargava	2	2	0.40
G. M. Dave	2	2	0.40
D. D. Rathi	2	2	0.40

Mr. R. C. Bhargava chaired the meetings of the Committee

The Company Secretary acts as Secretary to the Committee and is also the Compliance Officer.

Your Company's shares are compulsorily traded in the dematerialised form. To expedite transfers in the physical segment, necessary authority has been delegated by your Board to Director(s) and Officer(s) of your Company to approve transfers / transmissions of shares / debentures. Details of share transfers / transmissions approved by the Directors and Officers are placed before the Board.

- Role**

The Committee looks into:

- issues relating to share / debenture holders including transfer/transmission of shares/debentures;
- issue of duplicate share/debenture certificates;
- non-receipt of dividend;
- non receipt of annual report;
- non-receipt of share certificate after transfers;
- delay in transfer of shares;
- any other complaints of shareholders.

- Number of shareholders' complaint received so far / number not solved to the satisfaction of shareholders / number of pending complaints

Details of complaints received, number of shares transferred during the year, time taken for effecting these transfers and the number of share transfers pending are furnished in the "Shareholder Information" section of this Annual Report.

- Details of non-compliance by your Company, penalties and strictures imposed on your Company by stock exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter relating to capital markets, during the year

There has been no instance of non-compliance by your Company on any matter related to capital markets during the year under review and hence no strictures /penalties have been imposed on your Company by the stock exchanges or the SEBI or any statutory authority.

- Finance Committee**

A Finance Committee has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director. The Finance Committee comprises of Mr. R. C. Bhargava, Mr. Arun Adhikari (w.e.f. 28<sup>th</sup> August, 2015 upon the retirement of Mr. S. Rajgopal) and Mr. D. D. Rathi.

During the year, the Finance Committee met on 20<sup>th</sup> July, 2015.

The Committee is authorised to exercise all powers and discharge all functions relating to working capital management, foreign currency contracts, operation of bank accounts and authorising officers of your Company to deal in matters relating to excise, sales tax, income tax, customs and other judicial or quasi judicial authorities.

- Corporate Social Responsibility Committee**

The Corporate Social Responsibility ("CSR") Committee comprises of Mrs. Rajashree Birla, Mr. G. M. Dave, Mr. O. P. Puranmalka and Mr. K. K. Maheshwari.

Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR is a permanent invitee to the Committee.

The Company Secretary shall act as Secretary to the Committee.

During the year, the CSR Committee met on 31<sup>st</sup> March, 2016.

The CSR Committee recommends to the Board the activities to be undertaken during the year and amount to be spent on these activities. The CSR Policy and the CSR Report forms part of this Annual Report.

- Proceeds from public issues, rights issues, preferential issues**

During the year, your Company did not raise any funds by way of public issues, rights issues, preferential issues etc.

### VIII. CEO/CFO Certification

The Managing Director and Chief Financial Officer of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Annual Report.

### IX. REPORT ON CORPORATE GOVERNANCE

Your Company complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

### X. COMPLIANCE

- A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.

- Status of Compliances of Non – Mandatory Requirements**

- Your Company maintains a separate office for its Non-Executive Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.
- The position of the Chairman of the Board of Directors and the Managing Director are separate.
- The Internal Auditors report to the Audit Committee.
- The statutory financial statements of your Company are unqualified.

### XI. GENERAL BODY MEETINGS

Date and time of the AGMs, held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

**2015**

**Date and time:** 28<sup>th</sup> August, 2015; 3:00 p.m.

**Place:** Ravindra Natya Mandir,  
P. L. Deshpande Maharashtra  
Kala Academy,  
Near Siddhivinayak Temple,  
Sayani Road, Prabhadevi,  
Mumbai – 400 025.

- Special Resolution passed:**

Issue of Redeemable Non-Convertible Debentures, secured or unsecured, in one or more series/tranches, aggregating to an amount not exceeding ₹ 9,000 crores.

**2014**

**Date and time:** 6<sup>th</sup> August, 2014; 3:00 p.m.

**Place:** Ravindra Natya Mandir,  
P. L. Deshpande Maharashtra  
Kala Academy,  
Near Siddhivinayak Temple,  
Sayani Road, Prabhadevi,  
Mumbai – 400 025.

**2013**

**Date and time:** 29<sup>th</sup> July, 2013; 3:30 p.m.

**Place:** Ravindra Natya Mandir,  
P. L. Deshpande Maharashtra  
Kala Academy,  
Near Siddhivinayak Temple,  
Sayani Road, Prabhadevi,  
Mumbai – 400 025.

- Special Resolution passed:**

- Allotment of equity shares u/s 81(1A) of the Companies Act, 1956 upon exercise of stock options and restricted stock units by the employees of the Company.
- Allotment of equity shares u/s 81(1A) of the Companies Act, 1956 upon exercise of stock options and restricted stock units by the employees of the Company's holding company and / or its subsidiary(ies).

### XII. MEANS OF COMMUNICATION

- Quarterly results**

- Which newspapers normally published in:

Newspaper	Cities of Publication
Business Standard	All editions
Economic Times	All editions
Free Press Journal	Mumbai
Navshakti	Mumbai

- Any website, where displayed

[www.ultratechcement.com](http://www.ultratechcement.com)

[www.adityabirla.com](http://www.adityabirla.com)

- Whether your Company's website displays

All official news releases	Yes
Presentation made to Institutional Investors/ Analysts	Yes

## CODE OF CONDUCT DECLARATION

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2016.

Mumbai  
25<sup>th</sup> April, 2016

K. K. Maheshwari  
*Managing Director*

## CEO/CFO CERTIFICATION

The Board of Directors  
UltraTech Cement Limited

We certify that:

1. We have reviewed the financial statement, read with the cash flow statement of UltraTech Cement Limited ("the Company") for the year ended 31<sup>st</sup> March, 2016 and to best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain 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 existing accounting standards, applicable laws and regulations.
2. 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;
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a) significant changes in the Company's internal control over financial reporting during the year.
  - b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - c) instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

Mumbai  
25<sup>th</sup> April, 2016

K. K. Maheshwari  
*Managing Director*

Atul Daga  
*Chief Financial Officer*

# SHAREHOLDER INFORMATION

<b>1. Annual General Meeting</b>	
-Date and Time	Tuesday, 19 <sup>th</sup> July, 2016 at 3:30 pm
-Venue	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018
<b>2. Financial Calendar</b>	
• Financial reporting for the quarter ending 30 <sup>th</sup> June, 2016	End July, 2016
• Financial reporting for the half year ending 30 <sup>th</sup> September, 2016	End October, 2016
• Financial reporting for the quarter ending 31 <sup>st</sup> December, 2016	End January, 2017
• Financial reporting for the year ending 31 <sup>st</sup> March, 2017	End April, 2017
• Annual General Meeting for the year ending 31 <sup>st</sup> March, 2017	End July/August, 2017
<b>3. Dates of Book Closure</b>	Thursday, 7 <sup>th</sup> July, 2016 to Tuesday 19 <sup>th</sup> July, 2016 (both days inclusive)
<b>4. Dividend Payment Date</b>	On or after 21 <sup>st</sup> July, 2016
<b>5. Registered Office</b>	UltraTech Cement Limited “B” Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400093. Tel.: (022) 6691 7800 Fax: (022) 6692 8109 Email: <a href="mailto:sharesutcl@adityabirla.com">sharesutcl@adityabirla.com</a> Web: <a href="http://www.ultratechcement.com">www.ultratechcement.com</a> <a href="http://www.adityabirla.com">www.adityabirla.com</a> CIN: L26940MH2000PLC128420

## 6. (a) Listing Details:

Equity Shares	Non-Convertible Debentures	Global Depository Receipts (GDRs)
1. BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001	National Stock Exchange of India Limited “Exchange Plaza”, Plot No. C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	Luxembourg Stock Exchange Societe De La Bourse de Luxembourg <b>Postal Address:</b> B.P. 165 L-2011 Luxembourg
2. National Stock Exchange of India Limited “Exchange Plaza”, Plot No. C-1, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai – 400 051		<b>Mailing Address:</b> 35 A, Boulevard Joseph II L-1840 Luxembourg.

Note: Listing fees for the year 2016 – 17 has been paid to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Listing fee for the GDRs has been paid to Luxembourg Stock Exchange (LSE) for the calendar year 2016.

**(b) Name and address of Trustees  
for the Debentureholders**

: SBICAP Trustee Company Ltd  
Appejay House, 6<sup>th</sup> Floor,  
3 Dinshaw Wachha Road, Churchgate,  
Mumbai – 400 020  
Tel No: (022) 4302 5555  
Fax No: (022) 4302 5500

**(c) Overseas Depository for GDRs**

: Citibank N. A.  
Depository Receipt Services  
388, 14<sup>th</sup> Floor, Greenwich Street,  
New York; NY-10013 USA  
Tel: +212 – 816 – 6852  
Fax: +212 – 816 – 6876

**(d) Domestic Custodian of GDRs**

: Citibank N. A.  
Custody Services  
FIFC 11<sup>th</sup> Floor,  
C 54 & 55, G Block,  
Bandra Kurla Complex  
Bandra (East), Mumbai – 400 051  
Tel: (022) 61756895  
Fax: (022) 26532205

**7. Stock Code**

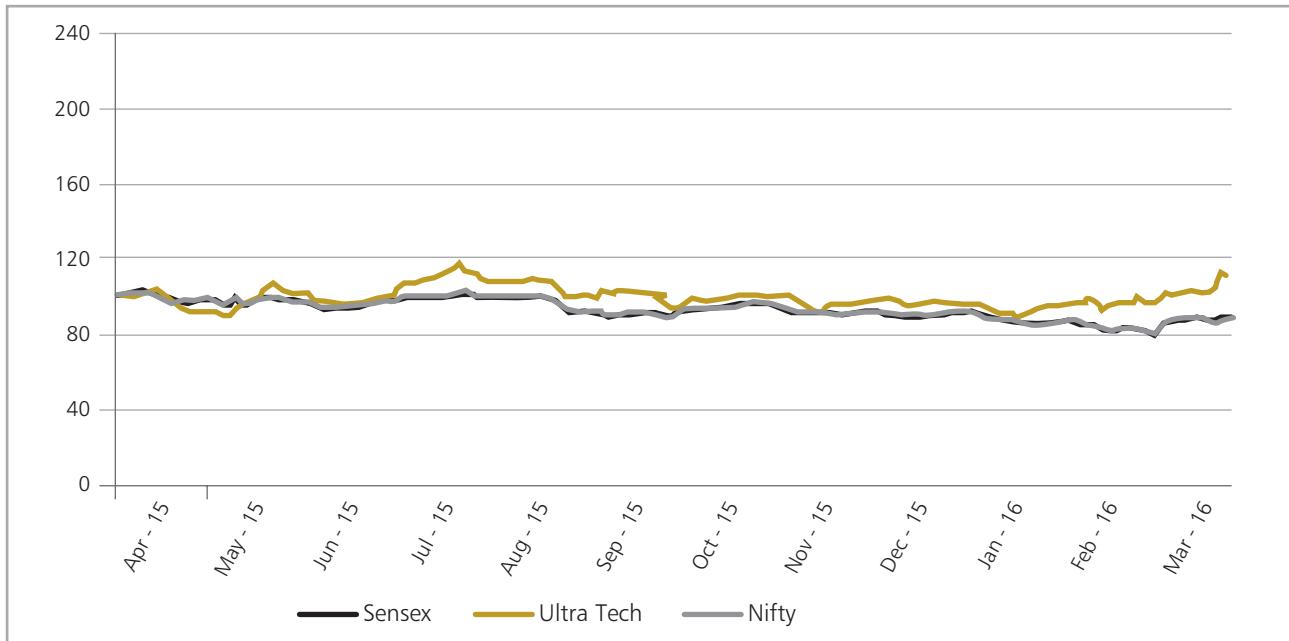
: ISIN for equity shares – INE481G01011  
: ISIN for 144A GDRs – US90403E1038  
: ISIN for Level 1 GDRs – US90403E2028

	Stock Code	Reuters	Bloomberg
BSE	532538	ULTC.BO	UTCEM IB
NSE	ULTRACEMCO	ULTC.NS	UTCEM IS
LSE			UTCEM LX

**8. Stock Price Data:**

	BSE				NSE				LSE		
	High	Low	Close	Volume (In Nos.)	High	Low	Close	Volume (In Nos.)	High	Low	Close
									(In ₹)	(In ₹)	(In USD)
Apr-15	3,031.75	2,626.35	2,666.10	10,73,568	3,029.90	2,625.60	2,672.10	63,78,583	48.23	38.03	41.92
May-15	3,109.00	2,530.80	2,976.65	5,40,242	3,109.85	2,531.00	2,975.30	71,09,172	48.50	38.61	46.79
Jun-15	3,019.00	2,682.90	2,991.40	3,35,149	3,024.00	2,680.00	2,993.45	47,87,485	47.36	39.89	45.64
Jul-15	3,369.50	2,976.10	3,149.65	4,86,313	3,369.00	2,980.10	3,149.15	67,59,616	52.71	47.38	49.30
Aug-15	3,252.45	2,792.25	2,898.10	3,24,159	3,256.00	2,791.00	2,889.80	62,58,858	50.87	42.47	43.61
Sep-15	3,025.00	2,623.65	2,679.80	2,98,882	3,022.00	2,622.05	2,673.40	59,70,884	45.72	40.57	40.90
Oct-15	2,995.00	2,673.00	2,883.70	3,06,901	2,996.00	2,669.00	2,886.10	62,71,783	45.79	42.19	44.29
Nov-15	2,957.60	2,649.55	2,806.95	2,28,595	3,044.90	2,650.00	2,801.05	45,78,983	44.73	39.00	42.21
Dec-15	2,899.90	2,742.00	2,784.95	1,73,910	2,905.15	2,741.15	2,780.55	48,73,598	43.58	41.47	41.96
Jan-16	2,839.00	2,581.15	2,826.00	8,11,312	2,852.30	2,579.00	2,840.10	67,11,538	41.66	38.18	41.66
Feb-16	2,941.15	2,680.00	2,767.05	3,82,289	2,936.45	2,680.00	2,768.60	52,66,790	42.65	39.58	40.54
Mar-16	3,265.80	2,767.00	3,227.00	7,64,727	3,265.00	2,772.95	3,228.75	84,16,308	48.73	42.10	48.71

## 9. Stock Performance:



## 10. Stock Performance and Returns:

Absolute Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	12.19	72.76	185.35
BSE Sensex	(9.36)	34.54	30.32
NSE Nifty	(8.86)	36.18	32.65

Annualised Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	12.19	19.99	23.33
BSE Sensex	(9.36)	10.40	5.44
NSE Nifty	(8.86)	10.84	5.81

## 11. Registrar and Transfer Agents (RTA):

(For shares transfers and other communication relating to share certificates, dividend and change of address)

Karvy Computershare Pvt. Ltd.

"Karvy Selenium", Tower B,  
Plot number 31 - 32,  
Financial District, Gachibowli,  
Nanakramguda  
Hyderabad – 500 032  
Tel: +91 40 6716 2222  
Fax: +91 40 2342 0814  
Email: [ultratech.ris@karvy.com](mailto:ultratech.ris@karvy.com)

## 12. Share Transfer system:

Share transfer in physical form are registered and returned within a period of 12 days from the date of receipt, if the documents are clear in all respects. Officers of your Company have been authorised to approve transfers upto 5,000 shares in physical form under one transfer deed. One Director jointly with one Officer of your Company have been authorised to approve the transfers exceeding 5,000 shares under one transfer deed.

The RTA attends to investor grievances in consultation with the Secretarial Department of your Company.

Transfer Period (in days)	2015-16			2014-15		
	No. of transfers	No. of shares	%	No. of transfers	No. of shares	%
1 – 15	651	20,684	100	936	31,487	100
16 – 20	-	-	-	-	-	-
21 – 30	-	-	-	-	-	-
<b>Total</b>	<b>651</b>	<b>20,684</b>	<b>100</b>	<b>936</b>	<b>31,487</b>	<b>100</b>

Number of pending share transfers as at 31<sup>st</sup> March, 2016 : Nil

### 13. Investor Services:

Complaints received during the year

Nature of Complaints	2015-16		2014-15	
	Received	Cleared	Received	Cleared
Relating to Transfer, Transmission, Dividend, Demat and Change of address etc.	22	25*	25	22*

\* 3 complaints were pending on 31<sup>st</sup> March, 2015 which were resolved subsequently.

Legal proceedings on share transfer issues, if any : No major legal proceedings relating to transfer of shares.

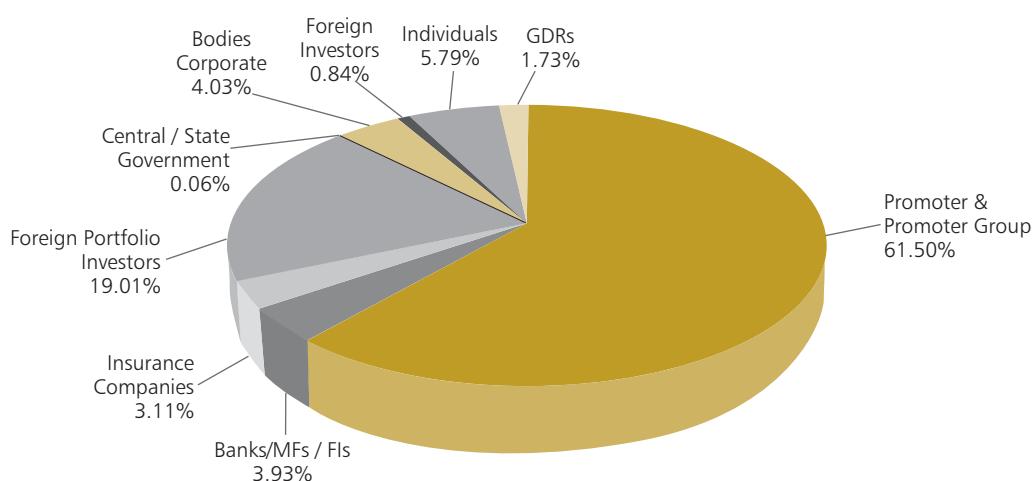
### 14. Distribution of Shareholding as on 31<sup>st</sup> March, 2016 :

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% share holding
1 – 100	262,795	88.91	6,950,133	2.53
101 – 200	18,045	6.10	2,628,304	0.96
201 – 500	9,739	3.30	3,031,796	1.10
501 – 1000	2,693	0.91	1,891,948	0.69
1001 - 5000	1,536	0.52	2,979,485	1.09
5001-10000	199	0.07	1,423,436	0.52
10001 & above	562	0.19	255,526,275	93.11
Total	295,569	100.00	274,431,377	100.00

### 15. Category of Shareholding as on 31<sup>st</sup> March, 2016 :

Category	No. of shareholders	% of shareholders	No. of shares held	% share holding
Promoter & Promoter Group	13	0.00	168,766,753	61.50
Banks/MFs / Fls	432	0.15	10,772,437	3.93
Insurance Companies	42	0.01	8,532,654	3.11
Foreign Portfolio Investors	710	0.24	52,171,852	19.01
Central / State Government	2	0.00	172,474	0.06
Bodies Corporate	2,375	0.81	11,056,962	4.03
Foreign Investors	6,513	2.20	2,310,705	0.84
Individuals	285,481	96.59	15,891,569	5.79
GDRs	1	0.00	4,755,971@	1.73
Total	295,569	100.00	274,431,377	100.00

@ 2,744,168 GDRs held by Promoter and Promoter Group.



16. Dematerialisation of Shares and Liquidity : 98.23% of outstanding equity shares have been dematerialised as on 31<sup>st</sup> March, 2016. Trading in shares of your Company is permitted only in the dematerialised form.
17. Details on use of public funds obtained in the last three years : No public funds have been obtained.
18. Outstanding GDR/Warrants and Convertible Bonds : 4,755,971 GDRs are outstanding as on 31<sup>st</sup> March, 2016. Each GDR represents one underlying equity share. There are no warrants/convertible bonds outstanding as at the year end.

#### **19. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

Your Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid down policies. Your Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all. Further, your Company also hedges its commodity price risk through fixed price swaps.

#### **20. Plant Locations (Integrated Plants):**

Aditya Cement Works	Andhra Pradesh Cement Works	Awarpur Cement Works
Adityapuram Sawa – Shambhupura Road District: Chittorgarh, Rajasthan – 312 622 Tel : 01472- 221001-10 Fax :01472- 221020	Bhogasamudram, Tadipatri Mandal District: Anantapur Andhra Pradesh – 515 413 Tel: 08558 – 288001 Fax: 08558-288859	P.O. Awarpur Taluka : Korpana, District: Chandrapur Maharashtra – 442 917 Tel: 07173-266233 Fax: 07173-266339
<b>Gujarat Cement Works</b>	<b>Hirmi Cement Works</b>	<b>Jafrabad Cement Works</b>
P.O. Kovaya, Taluka: Rajula, District: Amreli, Gujarat – 365 541 Tel: 02794 – 283034 Fax:02794 – 283036	Village & Post: Hirmi Taluka: Simga, District: Baloda Bazar, Bhatapara, Chhattisgarh – 493 195 Tel:07726-281217/218/221 Fax: 07726-281268	P. B. No. 10, Village: Babarkot, Taluka: Jafrabad District: Amreli, Gujarat – 365 540 Tel: 02794-245103 Fax: 02794-245110
<b>Kotputli Cement Works</b>	<b>Rajashree Cement Works</b>	<b>Rawan Cement Works</b>
V & P. O. Mohanpura, Tehsil: Kotputli District: Jaipur, Rajasthan - 303 108 Tel: 01421-243702	Aditya Nagar, Malkhed Road, Tehsil: Sedam, District.: Gulbarga Karnataka – 585 292 Tel : 08441-288888 Fax : 08441-288624/ 288365	Grasim Vihar, Village P.O. Rawan, Tehsil: Simga, District: Baloda Bazar - Bhatapara Chhattisgarh – 493 196 Tel : 07726 – 288217/20 Fax : 07726 - 288215, 288209
<b>Reddipalayam Cement Works</b>	<b>Sewagram Cement Works</b>	<b>Vikram Cement Works</b>
Reddipalayam PO District: Ariyalur, Tamil Nadu – 621 704 Tel : 04329 - 249240 Fax :04329 - 249253	Village : Vayor, Taluka Abdasa, District: Kutch, Gujarat – 370 511 Tel: 02831-279200 Fax: 02831-279279	Vikram Nagar P.O. Khor Tehsil - Jawad District: Neemuch Madhya Pradesh – 458 470 Tel : 07420 - 230554, 230567 Fax : 07420 - 235524
<b>White Cement</b>		
Birla White, Rajashree Nagar, P.O. Kharia Khangar Tehsil: Bhopalgarh, District: Jodhpur, Rajasthan – 342 606 Tel : 02920-264040/ 47 Fax : 02920-264225		

## 21. Investor Correspondence:

Registered Office	Registrar & Share Transfer Agent
<p>UltraTech Cement Limited          'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor,          Mahakali Caves Road,          Andheri (East),          Mumbai – 400 093          Tel: (022) 66917800          Fax: (022) 66928109          Email: <a href="mailto:sharesutcl@adityabirla.com">sharesutcl@adityabirla.com</a>;  <a href="mailto:kamal.r@adityabirla.com">kamal.r@adityabirla.com</a>          Contact Person: Mr. Kamal Rathi</p>	<p>Karvy Computershare Pvt. Ltd.          "Karvi Selenium", Tower B, Plot number 31 - 32,          Gachibowli, Financial District, Nanakramguda,          Hyderabad – 500 032          Tel: +91 40 6716 2222          Fax: +91 40 2342 0814          Email: <a href="mailto:ultratech.ris@karvy.com">ultratech.ris@karvy.com</a>          Contact Person: Mr. V. K. Jayaraman</p>

Email for investor correspondence under SEBI requirements: [sharesutcl@adityabirla.com](mailto:sharesutcl@adityabirla.com)

## 22. Other useful information for shareholders:

### Unpaid/Unclaimed Dividends:

Dividend warrants in respect of the dividend declared in August, 2015 have been despatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the dividend warrants may please write to the Company or its RTA for further information in this behalf. Shareholders who have not encashed the warrants are requested to do so by getting them revalidated from the Registered Office of the Company or its RTA.

*The Unpaid / Unclaimed dividend for the financial year 2007 – 2008 has been transferred by the Company to the Investor Education and Protection Fund (IEPF) constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956 ("the Act"). No claim by the Shareholders shall lie against IEPF or the Company in respect of the said unclaimed account.*

*Pursuant to the provisions of Section 205A of the Act, as amended, dividend for the Financial Year 2008-09 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years will be transferred to IEPF. Shareholders who have so far not encashed the dividend warrant(s) for the financial year 2008 – 09 are requested to make their claim to the Secretarial Department at the Registered Office of the Company or the office of the RTA on or before 10<sup>th</sup> August, 2016, failing which the unpaid / unclaimed amount will be transferred to the IEPF. It may also be noted that once the unpaid / unclaimed dividend is transferred to the IEPF as above, no claim shall lie against IEPF or the Company in respect of such amount by the shareholder.*

### Unclaimed shares in physical form:

Regulation 39(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") provides the manner of dealing with the shares issued in physical form pursuant to a public issue or any other issue, which remains unclaimed with the Company. In compliance with the provisions of the Listing Regulations, the Company has sent three reminders to the shareholders whose share certificates are lying unclaimed.

Disclosure pursuant to Regulation 39(4) of the Listing Regulations:

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as at 1<sup>st</sup> April, 2015.  
*16,979 shareholders holding 326,938 equity shares of the Company.*
- Number of shareholders who approached the issuer for transfer of shares from Unclaimed Suspense Account during the year.  
*170 shareholders holding 7,430 equity shares of the Company.*
- Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.  
*170 shareholders holding 7,430 equity shares of the Company.*
- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as at 31<sup>st</sup> March, 2016.  
*16,809 shareholders holding 319,508 equity shares of the Company.*

### **ECS/ NECS Facility**

The Company uses "Electronic Clearing Service" (ECS) facility for remitting dividend to its shareholders wherever available.

In terms of a notification issued by the Reserve Bank of India, with effect from 1<sup>st</sup> October, 2009, remittance of dividend through ECS is replaced by "National Electronic Clearing Service" (NECS). Banks have been instructed to move to the NECS platform. The advantages of NECS over ECS include faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations.

NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralised processing of inward instructions and efficiency in handling bulk transactions.

To enable remittance of dividend through NECS, members are requested to provide their new account number allotted to them by their respective banks after implementation of CBS. The account number must be provided to the Company or its RTA in respect of shares held in physical form and to the Depository Participants in respect of shares held in electronic form.

Securities and Exchange Board of India (SEBI) provided that companies making cash payments to its investors shall use approved electronic mode of payment such as ECS, NECS, NEFT etc. To enable usage of electronic payment instruments, companies are required to maintain requisite bank details of their investors:-

- For securities held in electronic form, companies shall seek relevant bank details from the Depositories.
- For securities held in physical form, companies shall maintain updated bank details of its investors.

### **Share Transfer / Dematerialisation**

1. Share transfer requests are acted upon within 12 days from the date of their receipt at the Share Department. In case no response is received from the Company within 15 days of lodgement of transfer request, the lodger should immediately write to the Company or its RTA with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss / interception during postal transit.

2. Dematerialisation requests duly completed in all respects are normally processed within 7 days from the date of their receipt at the Company or its RTA.
3. Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantages of scripless trading, shareholders are requested to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
4. The equity shares of the Company have been admitted with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) bearing ISIN No. INE481G01011.

### **Correspondence with the Company**

Shareholders / Beneficial Owners are requested to quote their Folio Number / DP & Client ID Numbers as the case may be, in all correspondence with the Company. All correspondence regarding shares & debentures of the Company should be addressed to the Company or its RTA.

### **Non-Resident Shareholders**

Non-resident shareholders are requested to immediately notify:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of their NRE Bank Account with a bank in India, if not furnished earlier.

### **Others**

1. In terms of the Regulations of NSDL and CDSL, the bank account details of Beneficial Owners of shares in demat form will be printed on the dividend warrants as furnished by the Depository Participants (DP). The Company will not entertain any request for change of bank details printed on their dividend warrants. In case of any changes in your bank details please inform your DPs immediately.
2. Shareholders holding shares in physical form are requested to notify to the Company or its RTA, change in their address / pin code number and Bank Account details promptly by written request under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of

address, bank details, nomination, power of attorney, etc. directly to their DPs as the same are maintained by the DPs.

3. To prevent fraudulent encashment of dividend warrants, shareholders are requested to provide their bank account details (if not provided earlier) to the Company or its RTA (if shares held in physical form) or to DPs (if shares held in electronic form), as the case may be, for printing of the same on their dividend warrants.
4. In case of loss / misplacement of shares, shareholders should immediately lodge a FIR / complaint with the Police and inform the Company or its RTA along with original or certified copy of FIR / acknowledged copy of Police complaint.
5. For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.
6. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.
7. Section 72 of the Companies Act, 2013 extends nomination facility to individuals holding shares in physical form in companies. Shareholders, in particular, those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form which can be obtained from the Company or its RTA or download the same from the Company's website.
8. Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
9. Addresses of the redressal agencies for investors to lodge their grievances:

**Ministry of Corporate Affairs (MCA)**

'A' Wing, Shastri Bhawan,  
Rajendra Prasad Road,  
New Delhi – 110 001  
Tel.: (011) 23384660, 23384659  
Web: [www.mca.gov.in](http://www.mca.gov.in)

**Securities and Exchange Board of India (SEBI)**

Plot No.C4-A,'G' Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
Tel.: (022) 26449000/40459000  
Fax: (022) 26449019-22/40459019-22  
Web: [www.sebi.gov.in](http://www.sebi.gov.in)

**Stock Exchanges:**

**BSE Limited (BSE)**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Tel.: (022) 22721233/34  
Fax: (022) 22721919  
Web: [www.bseindia.com](http://www.bseindia.com)

**National Stock Exchange of India Limited (NSE)**

Exchange Plaza, Plot No. C/1, 'G' Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
Tel.: (022) 26598100-8114  
Fax: (022) 26598120  
Web: [www.nseindia.com](http://www.nseindia.com)

**Depositories:**

**National Securities Depository Limited (NSDL)**  
Trade World, 'A' Wing, 4<sup>th</sup> & 5<sup>th</sup> Floors,  
Kamala Mills Compound,  
Lower Parel, Mumbai – 400 013  
Tel.: (022) 24994200  
Fax: (022) 24976351  
Web: [www.nsdl.co.in](http://www.nsdl.co.in)

**Central Depository Services (India) Limited (CDSL)**

17<sup>th</sup> Floor, P J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
Tel.: (022) 2272 3333  
Fax: (022) 2272 3199  
Web: [www.cdslindia.com](http://www.cdslindia.com)

# SOCIAL REPORT

"As a nation we have embarked on the journey of social change through inclusive growth. A shared sense of community through shared responsibilities, both by the Government and corporates is apparent today. We have always been engaged in reaching out to communities through the spirit and culture of giving and caring, the spirit of compassion and service, which has been a legacy passed on from the Birla family, generation after generation. Our CSR activities are focused and strategic. We plough in resources, both financial and manpower where our work truly impacts the lives of the underprivileged. At the Aditya Birla Group level through our outreach programmes we pan out to 7.5 million people across 5,000 villages. Of this, UltraTech's community engagement reaches out to a rural population of nearly 13 lakhs, spread over 407 villages. We pursue a project-based approach with a robust implementation structure, monitoring process and a team of professionals in place at the Company Units".

Rajashree Birla  
Chairperson

Aditya Birla Centre for Community Initiatives and Rural Development

Our focus is on healthcare, education, sustainable livelihood, infrastructure and social reform.

## Health Care

This year we conducted 217 rural medical and awareness camps and 48 speciality camps servicing 144,495 villagers. Among these feature health check-ups for ailments such as malaria, diarrhoea, diabetes, hepatitis, arthritis, skin diseases, gynaecological disorders and cardiac related issues. Thousands of villagers in the remotest areas also availed of the facilities offered by us through our rural mobile medical van services. Those afflicted with serious ailments were referred to our hospitals.

At the Company's 8 hospitals, housed at Khor, Shambhupura, Kharia Khangar, Kovaya, Jafrabad, Sewagram, Rawan and Malkhed over 56,800 patients were given the necessary medical attention.

At our eye camps conducted by us 13,045 persons were treated. Of these 4,903 patients at Khor, Shambhupura, Rawan, Malkhed, Kharia Khangar, Kotputli, Kovaya and Jafrabad were operated for cataract, and intra-ocular lens fitted for their vision. The teams also distributed 3,500 spectacles to correct the vision of the senior citizens.

At dental check-up camps in Kharia Khangar, Awarpur, Tadipatri, Malkhed, Reddipalayam and Hirmi 3,273 persons received treatment.

At blood donation camps, we had 320 donors in Ginigera, Jafrabad, Kovaya, Khor, Hirmi, Kharia Khangar and Reddipalayam.

## Mother and Child Health Care

In collaboration with the District Health Department, over 226,512 children were immunised against polio in 1,272 booths. Further, more than 4,672 children were immunised against BCG, DPT and hepatitis-B across the Company's Units.

Nearly 8,122 women participated in antenatal, post-natal care, mass immunisation, nutrition and escort services for institutional delivery. These camps organised at Khor, Kharia Khangar, Kotputli, Kovaya, Rawan, Hirmi, Durgapur, Malkhed, Tadipatri, Bhatinda and Awarpur form part of our reproductive and child health care programmes.

Our focused programme on adolescent health care covered, 2,270 girls at Government Girls High Schools and Kasturba Gandhi Balika Vidyalayas.

As a result of our intensive motivational drive towards responsible family raising, 1,126 villagers opted for planned families at Khor, Kharia Khangar, Kotputli, Kovaya, Rawan, Hirmi, Durgapur, Malkhed, Tadipatri and Awarpur.

## Safe Drinking Water and Sanitation

The installation of Reverse Osmosis Plants and water tanks has had a beneficial impact on villagers. Up until now, 10 plants

have been installed around our operational areas in Tadipatri, giving more than 21,000 villagers access to safe drinking water. Backed by our initiatives, villages around Khor, Shambhupura, Hotgi and other locations, over 80,000 villagers have been able to access safe drinking water.

Under the Nirmal Gram Yojana, we have facilitated the construction of 1,039 individual toilets in villages around Hirmi, Rawan, Khor, Kovaya, Jafrabad, Awarpur, Kharia Khangar and Arrakonam.

In addition to the 77 school toilets earlier constructed for the girl child, we are committed to maintain toilets in 57 schools at Tadipatri.

### **Education**

We extend support to 250 Anganwadis at Rawan, Hirmi, Kotputli, Khor, Reddipalayam, Malkhed, Tadipatri, Durgapur, Kovaya, Jharsuguda, Arrakonam, Aligarh, Magdalla and Sewagram where 5,411 children are enrolled.

We have tied up with 42 primary schools under the Sarva Siksha Abhiyan (SSA) programme at Kovaya, Jafrabad, Sewagram, Malkhed, Khor, Rawan, Hirmi, Tadipatri, Shambhupura, Kharia Khangar, Kotputli, Awarpur, Ratnagiri, Magdalla, Reddipalayam, Jharsuguda, Hotgi, Pataliputra, Wanakbori, Panipat, Bhatinda, Dadri and Durgapur. Over 21,005 students in these schools have received technical support, study materials, school bags and uniforms.

The 'Shala Praveshotsav' programme benefitted 9,965 students from Grade 1<sup>st</sup> to 8<sup>th</sup> in schools at Bharuch and Amreli district in Gujarat, Baloda Bazaar in Chhattisgarh and Solapur in Maharashtra.

To encourage the spirit of excellence, 4,578 children from different schools in Malkhed, Tadipatri, Reddipalayam, Hirmi, Khor, Rawan, Awarpur and Shambhupura were accorded scholarships.

Rural schools were extensively supported in the campaign for enrolment, and in reducing dropout rates of students at Awarpur, Hirmi, Kovaya, Jafrabad, Pataliputra, Durgapur, Ginigera, Hotgi, Arrakonam and Shambhupura. We reached out to 120 schools and 9,965 children.

The response to our special coaching classes and career counselling programmes at Malkhed, Kovaya, Jafrabad, Kotputli, Kharia Khangar, Reddipalayam, Shambhupura and Awarpur has been encouraging. We covered 35,914 students.

At Rawan, Malkhed, Khor, Hirmi, Shambhupura, Ratnagiri, Magdalla, and Kharia Khangar we conducted 6-monthly computer literacy programmes. These benefitted 548 rural students and helped to enhance their skills on various operating systems for self-development.

Our talent search programmes drew 6,467 children from different schools in Reddipalayam, Kotputli, Rawan, Awarpur and Shambhupura.

We assist in the delivery of mid-day meal programmes in schools at Jafrabad, Jharsuguda, Hotgi and Durgapur through need-based support and to maintain basic hygiene.

At Rawan, Hirmi, Kotputli, Khor and Sewagram this year, 1,546 girls and boys were given special coaching to compete in the entrance examination for Navodaya schools. So far 40 students from villages close to Hirmi and Rawan have made the grade. Around 70% of them belong to underprivileged families. Importantly there has been an overall reduction in the number of dropouts due to better understanding and learning of subjects.

Libraries set up in villages across our areas of operation are accessed by 21,253 students.

At Malkhed, Rajashree Cement had supported Smart Class Computer project to support 4 government schools with 1,500 students. Project Utkarsh in collaboration with the government of Rajasthan has begun in Kharia Khangar, which will reach out to 22,000 children.

At Rawan, Kotputli, Hirmi, Tadipatri, Kovaya, Shambhupura, Khor, Kharia Khangar, Jharsuguda and Awarpur, we conducted free coaching classes for students appearing for board exams. Around 3,080 students enlisted for those classes.

We support two residential schools at Kovaya (Gujarat) and Gulbarga (Karnataka) meant for visually impaired children.

In 18 villages surrounding Khor, Durgapur, Jafrabad and Malkhed, more than 400 women in the 25-60 age group actively participate in our functional literacy programmes. For their convenience, these are conducted during the evening when the women are free from household chores.

Extended facilities such as school transport and other support systems were availed of by 28,094 students.

At Shambhpura, Aditya Cement, Rajasthan, we are transforming 20 schools into model schools. School infrastructure, library and teaching tools are being contemporised. More than 2,000 students have enrolled at these schools.

### Sustainable Livelihood

On the agricultural front, we reached out to 3,659 farmers, and enabled them to increase their productivity. Training in crop diversification, advance cropping techniques and other processes to improve yield, floriculture, integrated pest management and post-harvest technology has been a value addition to their skills. These agri-based programmes were attended by 3,659 farmers at Khor, Kharia Khangar, Shambhpura, Malkhed, Rawan, Jafrabad, Awarpur, Hirmi and Jharsuguda.

The initiative of crop diversification and resource management with small farmers with scattered landholdings has bettered the livelihood of 112 farmers in three villages of Jharsuguda. This programme started with just two farmers a couple of years back.

To comprehend contemporary cropping pattern and techniques, 50 farmers from Awarpur and surrounding four villages were taken for a visit to Nagpur and Chandrapur in Maharashtra. Similarly, 22 farmers from Khor went on a trip to Krishi Vigyan Kendra Chittorgarh, to learn more on organic cultivation.

To ensure cost optimisation through economies of scale in the procurement of inputs, to realise better margin through collective marketing of agricultural produces, to avail all the facilities and services under different schemes and to enrich knowledge by exchanging ideas and information, we promoted 12 farmers club at Jharsuguda and Malkhed benefitting 82 farmers. Additionally, 340 farmers were aided with agricultural implements in the villages at Khor and Malkhed.

To support the Green Energy movement, we have installed 103 biogas plants at Kovaya and Jafrabad.

Under the social forestry programme, we encouraged plantation at Rawan, Hirmi, Khor, Sewagram, Shambhpura, Kotputli, distributing saplings and helping tree planting on roads and wastelands.

At Vikram Cement, the public private partnership (PPP) watershed project in the Neemuch district of Madhya Pradesh is on track. Our collaborator is the Watershed Mission implemented by the Madhya Pradesh Government. Implemented in phases, the project will bring 5,742 hectares of land under irrigation. Facilitated by a dedicated multidisciplinary team, the project involves making farmers and local people aware of rainwater harvesting, training them in diverse agro-based activities and ways to support watershed management. In all, 75 structures have been constructed. Additionally, we have constituted watershed user groups and watershed samities comprising of 540 farmers. They have been strengthened for organised action, collective bargaining and knowledge sharing and they share the responsibility to steer the socio-economic and cultural development of the villages.

The construction of water harvesting structures at Sewagram, Hirmi, Kovaya, Jafrabad and Tadipatri will enable water availability during the distress period for a population of more than 12,000.

### Animal Husbandry

Through our farmer support projects, 40,386 animals were immunised in veterinary camps held at our units at Malkhed, Kotputli, Kharia Khangar, Khor, Shambhpura, Hirmi, Rawan, Awarpur, Sewagram, Kovaya and Jafrabad.

The Navjeevan Gaushala at Kharia Khangar, accords shelter to 740 stray cows and oxen and does lifesaving service in the arid climate of Rajasthan.

We have tied up with BAIF for integrated breed improvement programme at our Kovaya, Jafrabad, Wanakbori locations in Gujarat and Khor in Madhya Pradesh. These programmes, strengthening the milk yield of 1,813 milch cattle, have increased the incomes of their owners.

The fodder support programme at Sewagram addresses the needs of three villages in collaboration with the panchayats.

### Vocational Training

We provided vocational skills training to 3,035 participants at Tadipatri, Hirmi, Khor, Shambhpura, Kharia Khangar, Rawan, Magdalla, Jharsuguda, Kovaya, Jafrabad, Arrakonam, Awarpur, Reddipalayam, Malkhed, Kotputli and Ratnagiri.

In the recent past, Birla White in Rajasthan has widened its Applicator's Training Programme to include women and unskilled construction workers. Through this programme, so far we have trained more than 6,000 people including 1,100 women in the specialised application of Birla White putty. This has been a boon for the underprivileged.

Over 784 students have been trained at Rajashree Cement's Kagina Industrial Training Centre. The Centre, which takes in 140 students every year, trains them to become electricians, fitters, mechanics and welders. Students who have completed the course have been gainfully employed. There is a record 100% result every year.

We also manage an ITI near Raipur through the public private partnership model.

### **Self Help Group (SHG)**

Across the Company over 840 SHGs empower 7,940 households economically and socially. Most of the SHGs have been linked with various economic centres. Women are engaged in a series of activities like tailoring, weaving, knitting, handicrafts, beauty parlour, mushroom cultivation, food processing and running small business.

The carpet centres continue to produce high quality carpets with 100% of the carpets exported through business tie-ups. At Reddipalayam, 290 women contribute significantly to the running of their family through their earnings from their tailoring jobs.

### **Infrastructure Development**

Our activities here continue. As in the past, we have helped the locals through building of approach roads, construction and repair of community halls, public rest places, solar lights and maintaining bathing ghats. This is done at Awarpur, Shambhupura, Kotputli, Panipat, Kharia Khangar, Khor, Bhatinda, Aligarh, Dadri, Rawan, Hirmi, Durgapur, Jharsuguda, Kovaya, Jafrabad, Ratnagiri, Magdalla, Malkhed, Hotgi, Tadipatri, Arrakonam, Ginigera, and Reddipalayam.

Through our interventions, we have reached out to 539,051 people across all our Units.

### **Espousing Social Causes**

To bring in social reform through attitudinal changes, we work with communities. Our work includes advocacy against child labour, illiteracy, child marriages, the marginalisation and abuse of the girl child and women, drunken behaviour, maintaining poor hygiene and so on. We also promote rural sports, cultural programmes and the celebration of national events / days in the locale.

The annual socio cultural Ulhas Utsav at Awarpur is a well-liked programme, imbibing awareness, encouraging empowerment and along with development processes stoking positive relationships.

The teams adopted 210 poor couples for solemnising mass marriages in Kovaya, Jafrabad, Hirmi, Rawan and Rajashree Cement. This year we reached out to 287,421 people in the socio-cultural programmes.

### **Accolades / Awards**

We bagged the IICA NGO BOX CSR Awards for Birla White and Vikram Cement, FICCI Water Award for Jafrabad Cement and Greentech Awards for Hirmi and Vikram Cement.

### **Our Investment**

For the year 2015-16, our CSR spend was ₹ 50.89 crores, which is nearly 1.8% of our net profit. In addition, we mobilised ₹ 20.34 crores through the various schemes of the Government, acting as catalysts for the community. This has enabled us expand our reach.

Our Board of Directors, our Management and our colleagues across the Company are committed to inclusive growth.

# SUSTAINABILITY AND BUSINESS RESPONSIBILITY REPORT

At the Aditya Birla Group, we endeavour to become the leading Indian conglomerate for sustainable business practices across our global operations by 2017.

To achieve this vision, we are innovating from the traditional sustainability models to one consistent with our vision to build sustainable businesses capable of operating in the business environment emerging in next 3 decades. It is in our own interests, to contribute to mitigate our impact in every way we can, and also prepare for further mitigation and potential adaption to planetary changes as we go forward.

We began our quest with a question, "If everyone and every business followed the law as written today, is the planet sustainable?" We quickly concluded that around the year 2050, when the Earth's population reaches an estimated 9 billion, climate change, water scarcity, stress plus pollution and an overload of waste, if left unchecked, would set the planet on a possibly irreversible course to un-sustainability. It is therefore intuitive that laws be tightened over time and imperative that the Aditya Birla Group remains ahead of the curve.

Our first step has been to set up a sustainability programme in our current operations, under the heading "Responsible Stewardship". By doing so, we try to move from merely following local laws to aligning ourselves voluntarily with the international standards set by the global bodies of the International Finance Corporation ("IFC"), the Organisation for Economic Co-operation and Development ("OECD"), the International Standards Organisation ("ISO"), Occupational Health and Safety Advisory Services ("OHSAS"), the Global Reporting Initiative ("GRI") and others. We are working hard to develop and improve our management systems and their performance by making sure that they conform to the Aditya Birla Group's Sustainability Framework of Policies, Technical Standards, and Guidance Notes by giving our employees the chance to train, learn, understand, and apply improvement techniques to reach higher standards of performance. So far, we have had much success with respect to reductions in energy use, water use, and improvements in safety performance. We are working towards achieving the World Business Council for

Sustainable Development's Water and Sanitation and Hygiene pledge ("WASH") to ensure that we provide safe drinking water, sanitation and hygiene in all our operations. Each of these achievements helps reduce and mitigate our impact on the planet and are hence imperative to building a platform for the future.

However, if we are to create sustainable business models and systems, "Responsible Stewardship" by itself is not enough and we need other components to help us with a greater transformation. We need to understand how many laws will need to change in order to support a sustainable world. Our performance will need to be improved further to meet these laws, possibly by redesigning our business models. We call this "Future Proofing" our businesses. This has two components; the first, we call "Strategic Stakeholder Engagement" which involves scanning the time horizon for disruptions by discussing the global megatrends with experts in the fields of climate, water, human rights, supply chain management, biodiversity, transparency and reporting, in order to understand what constraints might be placed on our businesses by 2030 and 2050. By doing so, we are able to build our capability to understand which external changes might heavily influence our value chains and business models in the future and what might be expected of our products and brands. For example, the world will need businesses that are able to mitigate and adapt to climate change, with robust and sustainable supply chains that are also impervious to all external forces that will inevitably begin to affect us in the future. The second part of our "Future Proofing" programme is to test our current business models and strategies against various scenarios designed to simulate what the world will potentially look like in 2030 and 2050. To achieve these results, sustainable businesses will take time, particularly when we consider some of our complex supply chains. By pushing to be the leader today, we are giving ourselves the best possibility of achieving long term success.

We believe that natural resources are already feeling the strain. Pollution, biodiversity loss, growing levels of water stress and the need to manage the growth of electricity production decoupled

from a country's carbon footprint will be the important focus areas for the future. This makes sustainable development an important element of business strategy.

The Company is committed to align its business strategy with the Aditya Birla Group's sustainability vision.

One of the strong pillars of the Company lies in its safety standards. Safety is accorded high priority at the Company. Leadership focus on safety is evident through its involvement in various safety activities. Incident investigations are accorded high value for learning and preventing similar incidents and are reviewed at Unit and Corporate level. Leaders at all levels carry out Safety Observations for behaviour safety improvement. Contractors' safety is also of prime importance.

The Company has formed a sustainability committee both at the unit level and at the corporate level. The committee is responsible for reviewing the sustainability performance, driving implementation of sustainability agenda across business functions and verticals, target setting, reviewing identified key risks and other climate change related issues and recommending action plans.

The Company not only complies with the local laws and regulations but is also moving towards complying with the international standards. The Company is already compliant with some of the international standards such as ISO and OSHAS and it publishes its sustainability report as per the GRI standards. The fifth sustainability report "Better Zero than One" for the year 2014-15 has been published and is available at [www.ultratechcement.com](http://www.ultratechcement.com).

As part of responsible stewardship, the Company was also involved in the development of the technology roadmap "Low Carbon technology for the Indian Cement Industry" a Cement Sustainability Initiative and is putting in efforts to implement the roadmap to reduce its CO<sub>2</sub> emissions and energy consumption.

The Company continues its focus on key environmental issues, which can help the Company remain sustainable in the long-term. There is a growing focus on reducing specific CO<sub>2</sub> emission, which has come down by around 25% since 1990. The Company is further working on strategies to bring down CO<sub>2</sub> emissions by optimising clinker consumption in cement. The substitution of fossil fuels and natural raw materials by waste materials is a key thrust area for the Company. The Company has been aggressively working on tree plantations and green zone development around its operations and has recently tied up with IUCN for biodiversity management. The Company is in the process of developing an action plan for sourcing renewable energy to meet a part of its electricity requirement from renewable sources.

The Company has overachieved its target for the first Perform, Achieve and Trade ("PAT") cycle of the Government of India and is moving ahead for the next phase of the PAT cycle. Against the target provided, we have achieved a saving of 87,000 tonnes of Oil Equivalent ("TOE").

With respect to air emissions, the Company has made significant investment plans to manage and reduce its air emission in order to comply with the notified emission norms. It is also implementing measures to reduce water consumption and meets around 38% of its water requirement through rain water harvesting. Around 11% of the water consumed is recycled or reused. The Company has also mapped its waste inventory and is sending all the waste to authorised recyclers for recovery and disposal.

The Company is actively engaging with its stakeholders through various platforms on a regular basis to identify and understand the issues impacting the stakeholders and the business and set the action plans that they need to implement for a long term relationship.

## BUSINESS RESPONSIBILITY REPORT

### Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L26940MH2000PLC128420											
2.	Name of the Company	UltraTech Cement Limited											
3.	Registered address	B Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093											
4.	Website	<a href="http://www.ultratechcement.com">www.ultratechcement.com</a>											
5.	E-mail id	<a href="mailto:brr.utcl@adityabirla.com">brr.utcl@adityabirla.com</a>											
6.	Financial Year reported	1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016											
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; background-color: #f2e0b7;">Group</th> <th style="text-align: center; background-color: #f2e0b7;">Class</th> <th style="text-align: center; background-color: #f2e0b7;">Sub Class</th> <th style="text-align: center; background-color: #f2e0b7;">Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">239</td> <td style="text-align: center;">2394</td> <td style="text-align: center;">23941 23942</td> <td>Manufacture of cement</td> </tr> </tbody> </table>				Group	Class	Sub Class	Description	239	2394	23941 23942	Manufacture of cement
Group	Class	Sub Class	Description										
239	2394	23941 23942	Manufacture of cement										
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Ordinary Portland and Portland Pozzolana Cement (ii) Ready-Mix Concrete (iii) White Cement											
9.	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations <ul style="list-style-type: none"> <li>• United Arab Emirates</li> <li>• Sri Lanka</li> <li>• Bahrain</li> <li>• Bangladesh</li> </ul> ii. Number of National Locations 12 Integrated Cement Units; 15 Grinding Units; 1 White Cement Unit; 1 Wall Care Putty; 6 Bulk Terminals; about 100 Ready Mix Concrete Units, Registered Office and Zonal Marketing Offices											
10.	Markets served by the Company	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; background-color: #f2e0b7;">Local</th> <th style="text-align: center; background-color: #f2e0b7;">State</th> <th style="text-align: center; background-color: #f2e0b7;">National</th> <th style="text-align: center; background-color: #f2e0b7;">International</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">√</td> <td style="text-align: center;">√</td> <td style="text-align: center;">√</td> <td style="text-align: center;">√</td> </tr> </tbody> </table>				Local	State	National	International	√	√	√	√
Local	State	National	International										
√	√	√	√										

### Section B: Financial Details of the Company

1.	Paid-up Capital (INR)	₹ 274 crores
2.	Total Turnover (INR)	₹ 23,841 crores
3.	Total Profits after Taxes (INR)	₹ 2,175 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after Tax (%)	The Company's total spending on CSR is 1.8% of the average profit after taxes in the previous three financial years.
5.	List of activities in which expenditure in 4 above has been incurred	a. Education b. Health Care c. Women empowerment d. Sustainable Livelihood e. Infrastructure Development f. Social Welfare

### Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?  
Yes, the Company has 9 (nine) subsidiaries - 4 (four) domestic and 5 (five) foreign.
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 parent 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

DIN Number	00017572
Name	Mr. K. K. Maheshwari with effect from 1 <sup>st</sup> April, 2016
Designation	Managing Director

##### b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. K. C. Jhanwar
3.	Designation	Deputy Managing Director and Chief Manufacturing Officer
4.	Telephone number	022 66917800
5.	E-mail id	<a href="mailto:brr.utcl@adityabirla.com">brr.utcl@adityabirla.com</a>

#### 2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N)

The 9 principles are:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the wellbeing of all employees.
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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?						–			
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?									view restricted to employees
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. The communication is an on-going process to cover all stakeholders.
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 publishes a Sustainability Report which is GRI G3.1. compliant and covers policies mentioned herein. The Report is assured by an independent certifying agency.

(b) If answer to S. No.1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									Not Applicable
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  
The Business Responsibility performance of the Company is assessed periodically by the management.
- (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 publishes its Sustainability Report annually. The Report is compliant with the GRI G3.1 guidelines. The Report is assured by an independent certifying agency and is available on the website of the Company – [www.ultratechcement.com](http://www.ultratechcement.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 Company's governance structure guides the organisation keeping in mind the core values of Integrity, Commitment, Passion, Seamlessness and Speed. The Corporate Principles and Code of Conduct cover the Company and its subsidiaries and are applicable to all the employees of the Company and its subsidiaries.
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.  
No complaints were received during the year.

**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 is strategically focusing on development of products and services that help customers build sustainable structures which are more durable, more resource-efficient, more cost-effective and more conducive to human lifestyle. We manufacture a range of products that cater to construction needs from foundation to finish. These include Ordinary Portland Cement ("OPC"), Portland

Blast Furnace Slag Cement ("PSC"), Portland Pozzolana Cement ("PPC"), White Cement and White Cement based Products, Ready Mix Concrete including Specialty Concrete, building products like AAC bricks and jointing mortars and a host of others in Retail Formats.

One of our product Xtralite - AAC blocks, are light weight blocks with optimum compressive strength and lower density than the traditional clay bricks or concrete blocks. It has the following advantages:

1. Thermal Insulation- resulting in less energy consumption for cooling the interiors.
2. Sound Insulation- reduction in usages of acoustical materials.
3. Can withstand any weathering effects- highly durable and life cycle cost is less.
4. Reduction in the usage of cement, sand due to reduction in joint thickness, less thickness of plastering etc- reduced environmental impact.
5. Help in conservation of agricultural top soil as it is a good alternative for clay bricks.

Another product Readiplast uses less water for curing as the curing period is reduced from 7 days to 2 days. Some of our Building Product Division products are also listed in the Indian Green Building Council Directory of green products under the category of energy efficiency and low emitting materials. White Cement, Wall Care Putty, Textura & Level Plast have been recognised by IGBC (Indian Green Building Council) for use in Green Building.

We are focusing on different options to reduce our carbon footprint and other emissions such as replacing traditional fuels with alternative fuels, improving energy efficiency of our products, using clinker additives, implementing Waste Heat Recovery Systems wherever possible. This will eventually reflect in lower carbon footprint of our products (OPC, PPC, PSC etc).

The Company has also taken initiatives for educating its stakeholders on the sustainable aspects of its products. The Technical Services Department educates the users of cement like masons and the Individual House Builder ("IHB") on using cement optimally and reducing wastage. The Company also informs government agencies about the advantages of using cement for mass housing and roads and the benefits of using blended cement. Several seminars have been conducted on concrete roads and white toping to impress on the environmental benefits of switching from bituminous roads.

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 consumes alternative materials like flyash, chemical gypsum, slag etc. which helps in conserving natural raw materials used for the cement production. Alternative fuels are also used for thermal energy generation which helps in the substitution of fossil fuels and allow better management of industrial waste. Recycling water, rainwater harvesting and recharging of ground water are standard operating procedures at all our manufacturing sites.

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

Cement as a product is used for variety of purposes and by diverse consumers. Hence it is not feasible to measure the usage (energy, water) by consumers.

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

Procurement practices and selection criteria by the Company are focused on protection of environment, societal interest and cost effective procurement seeking resources efficiency, improving the quality of products and services and ultimately optimising the cost.

The criteria for procurement of equipment is based upon resource efficiency, mainly comprising of but not limited to energy efficiency, fuel efficiency, emission control etc. The impact of the product / services being procured is considered over its whole life cycle i.e. from cradle to grave, including giving due weightage to the disposal aspect also e.g. E-waste/ hazardous waste is disposed of in an environmental friendly manner and no compromise, whatsoever, is made on the same. As regard social aspect, the emphasis is made on ethical issues at the time of vendor evaluation stage itself. The vendor registration form of the Company requires its potential vendors to specify their commitment on the following social aspects:

1. Child Labour
2. Forced & Compulsory Labour
3. Health & Society
4. Working Hours
5. Statutory compliances

The Company believes that sustainability in logistics may be achieved by using less polluting and less fuel consuming

transport option or selecting the vendors which are close to our manufacturing location. We are importing coal in bulk size vessels in collaboration with suppliers under which about one half of the shipment quantity is taken by us with full cost advantage of freight and the balance is sold by the suppliers to their retail customers. This consumes lesser fuel as compared to smaller size shipment in terms of per ton of material sailed. The Company also maps the Polypropylene ("PP") bags suppliers across the country to minimise distance between supplier plants and units across the country. We have also encouraged and empowered our PP bag suppliers to achieve 9001:2008 certification.

E-procurement has made our sourcing process more transparent and efficient. It includes a web-based supplier portal with features like Request For Quote ("RFQ"), submission of offers by the suppliers, generation of comparative charts and the release of orders. The module is integrated with our SAP system. A reverse auction process of real time competitive bidding for buying and transportation of material, adds to the efficacy of the process. E-procurement has resulted in more effective communication with our vendors and enabled significant reduction in paper work as well as travel hours.

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

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

The Company has always given preference to local vendors when it comes to sourcing materials. Around 20% of PP bags is sourced from near-by or local vendors (< 60km distance) that also indirectly saves on fuel consumption for transportation of those bags to the plant. Sourcing of PP bag from vendors located close to the plants has resulted in lower fuel consumption.

The Company also believes in long term partnership with the vendors by having rate contracts with them and providing periodical feedback on their performances in terms of quality, delivery, services, environmental health and safety etc, which helps the vendors to improve their performance by taking corrective actions on the parameters where they are found lacking. Transparency and fair approach are maintained while dealing with the vendors during the entire procurement cycle. The Company uses Information Technology efficiently for reducing the procurement cycle time and has launched a vendor portal which not only reduces the cycle time but also empowers vendors to make use of its useful features like knowing the approval

status of their material, payment status, posting advance shipping notification etc. It also helps in reduction of paper usage as most of the activities / documentation are done in electronic format. The Company has a zero tolerance policy for safety compromise and business is done only with those vendors who are approved on stringent safety parameters.

- 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.

The cement manufacturing process as such does not involve production of any by products or waste. However the flyash generated from the Company's captive power plant during power generation is utilised in blended cements. The Company also uses alternative materials such as flyash, chemical gypsum, slag etc. that are waste materials generated from other industries to substitute the raw material required for cement production.

**Principle 3 – Businesses should promote the wellbeing of all employees.**

- Please indicate the total number of employees.  
14,410
- Please indicate the total number of employees hired on temporary/contractual/casual basis.  
23,780
- Please indicate the number of permanent women employees.  
246
- Please indicate the number of permanent employees with disabilities.  
8
- Do you have an employee association that is recognised by management.  
Yes, we have recognised trade unions constituted in terms of the Trade Union Act at the Company's manufacturing Units.
- What percentage of your permanent employees is members of this recognized employee association?  
Around 26% of our permanent employees are members of the above mentioned trade unions.
- Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual

harassment in the last financial year and pending, as on the end of the financial year.

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

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

	Safety	Skill up-gradation
Permanent employees (Management)	93%	69%
Permanent women employees	77%	93%
Casual / Temporary / Contractual employees	90%	28%
Employees with disabilities	63%	75%

**Principle 4 – Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

- Has the Company mapped its internal and external stakeholders?  
Yes, the Company has mapped its internal as well as external stakeholders.
- Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?  
The Company has identified the disadvantaged, vulnerable and marginalised stakeholders viz. communities around its manufacturing Units and its workers / contractual workers.
- Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company's endeavor to bring in inclusive growth are channelised through the Aditya Birla Centre for Community Initiatives and Rural Development.

Several initiatives such as health care, education, infrastructure, watershed management, safe drinking water and sanitation, sustainable livelihood, self-help groups and income generation etc. are extended to the Company's contract workers and people living near to the Company's manufacturing Units.

The Company has adopted safety as a culture. It has engaged employees at all the levels - whether employees, contractors, suppliers or the community and has taken a structured approach, through leadership involvement, in order to bring about a culture change that views safety as non-negotiable.

**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 Company has a Human Rights Policy which is also applicable to its subsidiaries.

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

No complaints were received during the last financial year.

**Principle 6 – Businesses 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 Company's policy on Safety, Health and Environment extends to its subsidiaries as well.

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

The Company is a member of the Cement Sustainability Initiative ("CSI") of the World Business Council for Sustainable Development ("WBCSD"). This engagement has given better understanding of the environmental and climate change initiatives. The Company has addressed environment and climate change issues with clear goals, targets and achievements. The Company proactively measures carbon footprint as per Cement Sustainability Initiatives CO<sub>2</sub> protocol. Details are available in the sustainability report for the year 2014-15 at [www.ultratechcement.com](http://www.ultratechcement.com) and also in the upcoming sustainability report for 2015-16.

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

The Company follows a structured risk management approach which encompasses identifying potential risks, assessing their potential impact, mitigating them through taking timely action and continuous monitoring. The

Company is a member of CSI of WBCSD and the tools developed by CSI are being used by the Company to assess the potential risks arising out of its operations and take necessary actions to mitigate the same. One such tool developed by WBCSD is the India Water Tool (IWT) which helps the Company to map their water use and assess risks relative to operations and supply chains. The latest version of IWT is available at <http://www.indiawatertool.in>.

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?

Yes, the Company has two registered projects under Clean Development Mechanism ("CDM").

- use of alternative fuels at Reddipalayam Cement Works, Tamil Nadu.
- Waste Heat Recovery ("WHR") based power generation at Andhra Pradesh Cement Works – Tadipatri, Andhra Pradesh.

Five other WHR projects are ready for registration.

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.

The Company was one of the co-chairs of the expert working group for the development of "Technology Roadmap- Low Carbon Technology for the Indian Cement Industry" which was jointly developed by WBCSD CSI and the International Energy Agency ("IEA") along with other CSI members. The roadmap outlines a low-carbon growth pathway for Indian Cement Industry that could lead to carbon intensity reductions. The link to the technology roadmap is available on <http://www.wbcsdcement.org/index.php/technology/india-roadmap>.

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 given by Central Pollution Control Board ("CPCB") / State Pollution Control Board ("SPCB").

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as at end of financial year.

No such cases are pending at the end of the financial year.

**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:

- a. Cement Sustainability Initiative ("CSI"), an initiative of the World Business Council for Sustainable Development.

- b. Confederation of Indian Industry ("CII").
  - c. Federation of Indian Chambers of Commerce and Industry ("FICCI").
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, 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 specified programs in pursuit of its policy on inclusive growth and equitable development. These cover education, basic healthcare, women empowerment, sustainable livelihood, infrastructure and social reform.
2. Are the programmes / projects undertaken through in-house team / own foundation /external NGO / government structures/any other organisation?
- The Company's social projects are carried on under the aegis of the Aditya Birla Centre for Community Initiatives and Rural Development. Collaborative partnerships are formed with the government, district authorities, village panchayats, NGOs and like-minded stakeholders. The Company also engages with CII, FICCI in its social activities.
3. Have you done any impact assessment of your initiative?
- To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.
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 an amount of ₹ 50.89 crores on its CSR activities during 2015-16 in education, women empowerment, sustainable livelihood, infrastructure development etc.
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.
- Prior to the commencement of projects, a baseline study of the villages is carried out. The study encompasses

various parameters such as health indicators, literacy levels, sustainable livelihood processes, population data, state of infrastructure, among others. From the data generated a 1-year plan and a 5-year rolling plan is developed. Projects are assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, midcourse corrections are carried out.

**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.

23 cases of customer complaints / consumer cases were pending as on the end of FY16.

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)

The Company displays only product information as mandated by Bureau of Indian Standards.

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.

The Competition Appellate Tribunal ("COMPAT") by its order dated 11<sup>th</sup> December, 2015 set aside the Competition Commission of India ("CCI") order dated 20<sup>th</sup> June, 2012 and remitted the matter to CCI for fresh adjudication of the issues and passing of fresh order. Further, COMPAT allowed withdrawal of the amount deposited by your Company in compliance with the COMPAT interim order, which was subsequently refunded.

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

Yes, the Company carries out a Brand Health Study regularly (thrice a year). The study is conducted by globally renowned research agency – Nielsen India Pvt. Ltd., for tracking Brand Equity across customer segments. The Company is also conducting an extensive Customer Loyalty / Net Promoter Score ("NPS") study with research agency IMRB across customer segments in FY 15-16.

# DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholder,

Your Directors present the Sixteenth Annual Report together with the Audited Accounts of your Company for the year ended 31<sup>st</sup> March, 2016.

## FINANCIAL RESULTS

	(₹ in crores)	
	2015-16	2014-15
<b>Net Turnover</b>	23,841	22,648
<b>Profit before Interest, Depreciation and Tax (PBIDT)</b>	4,851	4,567
Less: Depreciation	1,289	1,133
<b>Profit before Interest and Tax (PBIT)</b>	3,562	3,434
Interest	505	547
<b>Profit before Tax Expenses</b>	3,057	2,887
Tax Expenses	882	872
<b>Profit after Tax</b>	2,175	2,015
Less: Appropriation:		
Adjustment related to Fixed Assets	-	76
Transfer to General Reserve	1,500	1,250
Transfer to Debenture Redemption Reserve	44	216
Proposed Dividend on Equity Shares	261	247
Tax on Dividend	49	50
<b>Net Balance for the year</b>	321	175

## OVERVIEW AND THE STATE OF THE COMPANY'S AFFAIRS

During the year under review, cement demand remained subdued on account of weak demand from the housing segment. However, in the last quarter of the financial year, some signs of recovery emerged. Demand registered double-digit growth due to higher infrastructure spending on roads, ports and metro rail projects. The cement industry is expected to perform well in the foreseeable future following economic growth and increased government focus on infrastructure and housing on the back of initiatives such as Housing for all by 2020, Make in India, Smart Cities, as well as declining interest rates.

Your Company produced 47.56 MMT of cement against 43.88 MMT in the previous year. The effective capacity utilisation

was 76% as against 75% in the previous year. Aggregate sales volume increased 7% from 44.85 MMT to 47.97 MMT, while white cement and related product volumes were 13.12 LMT (12.24 LMT). Your Company's net turnover was ₹ 23,841 crores vis-à-vis ₹ 22,648 crores in the previous year. Profit before interest, depreciation and tax was at ₹ 4,851 crores against ₹ 4,567 crores in the previous year.

## DIVIDEND

Your Directors have recommended a dividend of ₹ 9.50 per equity share (₹ 9 per equity share in the previous year) of ₹ 10 each for the year ended 31<sup>st</sup> March, 2016. The dividend distribution would result in a cash outgo of ₹ 314 crores (including tax on dividend of ₹ 53 crores) compared to ₹ 297 crores (including tax on dividend of ₹ 50 crores) paid for 2014-15.

## CAPITAL EXPENDITURE

Your Company strengthened its capacity expansion plans in response to growing demand for building material. During the year, your Company commissioned the following assets and capacities:

- 26 MW Waste Heat Recovery Systems at different locations;
- 4.5 MTPA cement grinding capacity; this includes greenfield cement grinding capacity at Jhajjar in Haryana and Dankuni in West Bengal and a 1.6 MTPA cement grinding unit at Pataliputra in Bihar in April, 2016;
- 2.0 MTPA cement packaging terminal at Pune in Maharashtra.

These projects were funded through a judicious mix of internal accruals and borrowings. The capital expenditure plan is about ₹ 1,500 crores for FY17, for projects and regulatory requirements, plant infrastructure and routine maintenance.

## CORPORATE DEVELOPMENT

### **Competition Commission of India**

The Competition Appellate Tribunal ("COMPAT") by its order dated 11<sup>th</sup> December, 2015 set aside the Competition Commission of India ("CCI") order dated 20<sup>th</sup> June, 2012 and remitted the matter to CCI for fresh adjudication of the issues and passing of fresh order. Further, COMPAT allowed withdrawal of the amount deposited by your Company in compliance with the COMPAT interim order, which was subsequently refunded.

### **Acquisition of cement units of Jaiprakash Associates Limited in Madhya Pradesh**

The Board of Directors of your Company had approved acquisition of the cement units of Jaiprakash Associates Limited ("JAL") in Bela and Sidhi in Madhya Pradesh, having an aggregate capacity of 4.9 MTPA. The effectiveness of the Scheme was inter-alia subject to the sanction of the Hon'ble Bombay High Court ("High Court"). Accordingly, a petition seeking sanction of the Scheme was filed by your Company in the High Court. During the course of the hearing, the High Court indicated that based on existing provisions of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 ("MMDR Act, 2015"), only mining leases granted under an auction could be transferred. Since the mining leases, which form a part of

the business to be acquired by your Company from JAL, were allotted to JAL and not granted under an auction, the same could not, in terms of the MMDR Act, 2015, be transferred to your Company. Under the circumstances, your Company applied for the withdrawal of the Scheme filed before the High Court, which was permitted.

The Central Government has since amended the MMDR Act, 2015, which now provides an exception by permitting the transfer of mining leases used for captive purposes, which were granted otherwise than through an auction.

In a separate development, the Board of Directors of your Company at its meeting on 31<sup>st</sup> March, 2016 approved the signing of definitive agreements for the acquisition of identified cement plants of JAL in Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh, representing an aggregate capacity of 21.20 MTPA at an Enterprise Value of ₹ 15,900 crores. The transaction will be consummated by way of a court-sanctioned scheme to be formulated at a later date. The acquisition is expected to take around 12-14 months to fructify as it is subject to applicable statutory/regulatory approvals.

## CORPORATE GOVERNANCE

Your Directors reaffirm their commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions relating to corporate governance as provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The compliance report is provided in the Corporate Governance section of this Annual Report. The auditor's certificate on compliance with the conditions of corporate governance of the Listing Regulations is given in Annexure I to this Report.

## EMPLOYEE STOCK OPTION SCHEMES

### **ESOS – 2006**

During the year, 1,972 Stock Options were vested in eligible employees. The Nomination, Remuneration and Compensation Committee ("the NRC") allotted 20,653 equity shares of ₹ 10 each of your Company upon exercise of Stock Options by the employees.

## **ESOS – 2013**

During the year, the NRC granted 24,329 Stock Options and 8,594 Restricted Stock Units to eligible employees of your Company subject to the provisions of the Company's Employee Stock Option Scheme ("Scheme – 2013"). Additionally, 67,002 Stock Options were vested in eligible employees. No Restricted Stock Units have vested in the option grantees in terms of the provisions of the Scheme 2013. The NRC allotted 6,097 equity shares of ₹ 10 each of your Company upon exercise of Stock Options by the employees.

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options and Restricted Stock Units granted under the above mentioned Schemes are available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

A certificate from the Statutory Auditor on the implementation of your Company's Employee Stock Option Schemes will be placed at the ensuing Annual General Meeting for inspection by the Members.

## **AWARDS**

Some of the prestigious awards conferred on your Company during the year included:

- Golden Peacock HR Excellence Award – 2015 : Rajashree Cement Works, Karnataka ("RC");
- Greentech Environmental Award – 2015 : RC;
- IMC Ramkrishna Bajaj National Quality Award for Performance Excellence : Rawan Cement Works, Chhattisgarh;
- Greentech CSR Award 2015 – Gold Category : Hirmi Cement Works, Chhattisgarh;
- India Sustainability Leadership Award in the category of community project of the year (Water) conferred by World CSR Day for integrated watershed management project : Vikram Cement Works, Madhya Pradesh.

Your Company was awarded a ranking on the Indian Climate Disclosure Leadership Index ("CDLI") of CDP for 2015. Your Company earned its distinction by disclosing high quality carbon emissions and energy data through CDP's climate change program. CDP is a not-for-profit organisation that drives sustainable economies.

## **RESEARCH AND DEVELOPMENT**

Your Company's Research and Development ("R&D") centre continues to expand and concentrate on the development of new products and processes to significantly moderate its environmental footprint. Your Company is devoted to sustainable development and explores new ways of environment preservation and the responsible use of non-renewable

resources. Towards this end, your Company developed several products including Portland Limestone Cement, IRST, etc., to enhance raw material and fuel conservation, and reduce energy intensiveness and greenhouse gas emissions.

Your Company continued to prioritise environment concerns and industrial by-product recycling (including fly ash, slag, etc.). Your Company's research activities provide customers with quality products required for improved construction practices and experiences. These include high-tech specialty concretes with wide-ranging attributes and properties, innovative building products and value-added services that relate to the use of concrete and construction materials. Your Company continues to develop new technologies and processes directed at enhancing productivity.

Your Company is closely engaged with the Aditya Birla Science and Technology Company Private Limited ("ABSTCPL"), the corporate research and development centre for the Aditya Birla Group. It caters to the corporate research needs of the Group's businesses through multi-disciplinary experts working on applied research projects. Your Company's active collaboration with ABSTCPL is closely linked to its corporate objectives of mineral securitisation, process debottlenecking and predictive studies, based on natural and non-renewable resource preservation, energy conservation and improved product durability.

## **HUMAN RESOURCES**

Your Company believes that its knowledge capital will drive growth and profitability. Your Company enjoys a strong brand image as a preferred and caring employer. The ongoing focus is on attracting, retaining and engaging talent with the objective of creating a robust talent pipeline at all levels. We also worked to strengthen the 'World of Opportunities' employee positioning initiatives. Initiatives like a hiring freeze at some levels, robust talent reviews, career development conversations and best-in-class development opportunities will help enhance the employee experience at your Company.

## **SAFETY**

The safety of employees, customers, vendors and those residing in proximity to your Company's operations is a continuing priority at your Company. Your Company's Safety Board is chaired by the Managing Director, supported by eight sub-committees, each of which is chaired by a Unit Head. Your Company conducted Visible Felt Leadership workshops and other initiatives through the year, covering line managers and workers. During the year, more than 200,000 safety observations were carried out, resulting in the identification and correction of unsafe acts or conditions. Structural stability was another focus area. All your Company's plants are audited by third party experts and this is followed up with the identification of action areas for further correction.

## CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013 ("the Act") read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee which is chaired by Mrs. Rajashree Birla. The other Members of the Committee are Mr. G. M. Dave, Independent Director, Mr. O. P. Puranmalka, Non-Executive Director and Mr. K. K. Maheshwari, Managing Director. Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR is a permanent invitee to the Committee. Your Company also has in place a CSR Policy which is available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

Your Company's CSR activities are focused on Social Empowerment & Welfare, Infrastructure Development, Sustainable Livelihood, Health Care and Education. Various activities were initiated during the year in villages neighboring plant locations, resulting in a spend of ₹ 50.89 crores (1.8% of the average net profits of the last three years for the purposes of CSR). Your Company also identified projects under the Swachha Bharat Abhiyan, work on which was started and will be intensified in the current year.

A report on CSR activities is attached as Annexure II forming a part of this report.

## SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

Your Company's wholly-owned subsidiary Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") received an order from the Mines Department, Government of Rajasthan, canceling the transfer of mining leases in Nagaur district of Rajasthan. The Rajasthan High Court set aside the order passed by the Mines Department and directed the handing over of the mining lease to GKUPL. Allowing an appeal filed by the Mines Department against the order of the Rajasthan High Court, the Supreme Court of India directed the State of Rajasthan to frame and notify its policy relating to the transfer of mining lease and pass an appropriate order with respect to the mining lease of GKUPL. Until such a decision is taken, status quo is to be maintained in the matter. The supply of limestone from these mines was in addition to alternative supply sources. Your Company's day-to-day operations are not impacted by these developments.

The audited financial statements of your Company's subsidiaries and joint venture viz. Dakshin Cements Limited, Harish Cement Limited, GKUPL, Bhagwati Lime Stone Company

Private Limited, UltraTech Cement Middle East Investments Limited, UltraTech Cement Lanka (Pvt.) Limited, PT UltraTech Mining Indonesia and PT UltraTech Investments Indonesia as well as related information are available on the website of your Company viz. [www.ultratechcement.com](http://www.ultratechcement.com) and also available for inspection during business hours at the Registered Office of your Company. Any Member interested in obtaining a copy of the audited financial statements of your Company's subsidiaries may write to the Company Secretary at the Registered Office of your Company.

In accordance with the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries, associates and joint ventures is attached as **Annexure III** to this Report.

## CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with the provisions of the Act, read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and the provisions of the Listing Regulations and forms part of the Annual Report.

## FINANCE

Your Company has adequate liquidity and a strong balance sheet. CRISIL has re-affirmed our credit rating as CRISIL AAA for Long Term and CRISIL A1+ for Short Term.

Your Company has net repaid long term borrowings (primarily external commercial borrowings and term loans) amounting to ₹ 194 crores during the year. It has also raised short term debt (net of repayments) of ₹ 441 crores. These have been utilised for meeting working capital mismatches. During the year, your Company refinanced / repriced foreign currency borrowings of ₹ 1,224 crores to take advantage of low interest rates. All outstanding foreign currency borrowings are fully hedged.

During the financial year 2015-16, your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

## PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT

Details of Loan, Guarantee and Investment covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Notes to the financial statements.

## **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed pursuant to Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is given in Annexure IV to this Report.

## **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as Annexure V. In accordance with the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at the Registered Office of your Company.

## **BUSINESS RESPONSIBILITY REPORT**

In terms of Regulation 34(2)(f) of the Listing Regulations, a Business Responsibility Report forms a part of the Annual Report.

## **CONTRACT AND ARRANGEMENT WITH RELATED PARTIES**

During the financial year, your Company entered into related party transactions, which were on an arm's length basis and in the ordinary course of business. There were no material transactions with any related party as defined under Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions were approved by the Audit Committee of your Company.

The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

The details of contracts and arrangement with related parties of your Company for the financial year ended 31<sup>st</sup> March, 2016 is given in Note 41 to the financial statements of your Company.

## **RISK MANAGEMENT**

Your Company constituted a Risk Management Committee mandated to review the risk management plan / process of your Company. The Risk Management Committee identified potential risks and assessed their potential impact with the

objective of taking timely mitigation action. More details on risk management are covered in the Management Discussion and Analysis, forming a part of the Annual Report.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Clearly defined roles and responsibilities have been institutionalised. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations.

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

The audited accounts for the year under review are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and the substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Your Directors confirm that:

- i. in the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. the accounting policies selected have been applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31<sup>st</sup> March, 2016 and of the profit of your Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities;
- iv. the Annual Accounts of your Company have been prepared on a going concern basis;
- v. your Company has laid down internal financial controls and that such internal financial controls are adequate and were operating effectively;
- vi. your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DIRECTORS

### Changes in the constitution of the Board -

Mr. O. P. Puranmalka (DIN: 00062212) retired as Managing Director of your Company from the close of business hours on 31<sup>st</sup> March, 2016. He will however continue as a Non-executive Director with effect from 1<sup>st</sup> April, 2016.

Mr. K. K. Maheshwari (DIN: 00017572) was appointed as Managing Director of your Company for a period of four years with effect from 1<sup>st</sup> April, 2016.

Mrs. Alka Bharucha (DIN: 00114067) has been appointed Additional Director (Independent) for a period of five years with effect from 9<sup>th</sup> June, 2016.

Mr. Atul Daga (DIN: 06416619) was appointed as Whole-time Director of your Company for a period of five years with effect from 9<sup>th</sup> June, 2016. He is the Chief Financial Officer of your Company since 1<sup>st</sup> December, 2014 and is now designated Whole-time Director and Chief Financial Officer.

Notices pursuant to Section 160 of the Act have been received from Members proposing Mr. Maheshwari, Mrs. Bharucha and Mr. Daga as Directors of your Company.

Mr. Dilip Gaur (DIN: 02071393) resigned as Deputy Managing Director from the Board of your Company with effect from 31<sup>st</sup> March, 2016.

These changes are based on the recommendation of the Nomination, Remuneration and Compensation Committee. The Board places on record its deep appreciation for the services rendered by Mr. Puranmalka as Managing Director and Mr. Gaur as Deputy Managing Director of your Company.

Mrs. Rajashree Birla (DIN: 00022995) retires from office by rotation and being eligible, offers herself for re-appointment.

The Board recommends the appointment of Mr. Maheshwari, Mrs. Bharucha and Mr. Daga and the re-appointment of Mrs. Rajashree Birla. Items seeking your approval on the above are included in the Notice convening the Annual General Meeting ("AGM").

Brief resumes of the directors being appointed / re-appointed form part of the Notice of the ensuing AGM.

During the financial year 2015-16, Mr. O. P. Puranmalka, Managing Director and Mr. Dilip Gaur, Deputy Managing Director have not received any commission / remuneration from your Company's holding as well as subsidiary companies.

### Meetings of the Board -

The Board of Directors of your Company met seven times during the year to deliberate on various matters. The meetings were held on 25<sup>th</sup> April, 2015; 20<sup>th</sup> July, 2015; 19<sup>th</sup> October, 2015; 18<sup>th</sup> December, 2015; 20<sup>th</sup> January, 2016; 15<sup>th</sup> February, 2016 and 31<sup>st</sup> March, 2016. Further details on the Board of Directors are provided in the Corporate Governance Report forming part of this Annual Report.

### Independent Director's Statement -

Independent Directors on your Company's Board have submitted declarations of independence to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

### Formal Annual Evaluation -

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings, strategic perspective or inputs regarding the growth and performance of your Company, among others.

Pursuant to the provisions of the Act and the Listing Regulations, the Directors have carried out the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board. The manner of evaluation is provided in the Corporate Governance Report.

The details of programme for familiarisation of Independent Directors of your Company are available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

### Policy on Appointment and Remuneration of Directors and Key Managerial Personnel and Remuneration Policy -

The NRC has formulated the remuneration policy of your Company which is attached as Annexure VI to this report.

### KEY MANAGERIAL PERSONNEL

Mr. O. P. Puranmalka ceased to be Managing Director with effect from the close of business hours on 31<sup>st</sup> March, 2016. Mr. K. K. Maheshwari was appointed as Additional Director and Managing Director of your Company with effect from 1<sup>st</sup> April 2016, subject to consent by the Members of your Company at the ensuing AGM.

In terms of the provisions of Section 203 of the Act, Mr. K. K. Maheshwari, Managing Director (with effect from 1<sup>st</sup> April, 2016); Mr. Atul Daga, Whole-time Director and Chief Financial Officer and Mr. S. K. Chatterjee, Company Secretary, are the Key Managerial Personnel of your Company.

## AUDIT COMMITTEE

The Audit Committee comprises of Mr. R. C. Bhargava, Mr. G. M. Dave and Mrs. Renuka Ramnath, all independent directors. Mr. D. D. Rathi, director of your Company and Mr. Atul Daga, Whole-time Director and Chief Financial Officer are permanent invitees. Further, details relating to the Audit Committee are provided in the Corporate Governance Report forming part of this Annual Report.

## VIGIL MECHANISM

Your Company has in place a vigil mechanism for Directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimisation to those who avail of the mechanism and direct access to the Chairman of the Audit Committee is provided in exceptional cases.

The vigil mechanism is available on your Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com).

## AUDITORS

### Statutory Auditors

In terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, an audit firm can hold office as statutory auditor for two terms of five consecutive years i.e. for a maximum period of ten years. They can be re-appointed after a cooling period of five years. In computing the period of ten years, the period for which the auditor held office before the commencement of the Act i.e. before 1<sup>st</sup> April, 2014 is also to be taken into account.

At the 15<sup>th</sup> AGM of your Company, the Members approved the appointment of BSR & Co. LLP, Chartered Accountants, Mumbai as one of the joint statutory auditors of your Company in place of Deloitte Haskins & Sells LLP, to hold office from the conclusion of the 15<sup>th</sup> AGM until the conclusion of the 20<sup>th</sup> AGM of your Company, subject to ratification by the Members at every AGM till the 19<sup>th</sup> AGM.

M/s. G. P. Kapadia & Co., Chartered Accountants, Mumbai was appointed as one of the joint statutory auditors of your Company in October, 2004 and re-appointed at every AGM thereafter. M/s. G. P. Kapadia & Co. has been in office for more than ten years and in compliance with the provisions of the Act, your Company will have to appoint a new auditor in their place by 31<sup>st</sup> March, 2017. The Board of Directors has, at its meeting held on 25<sup>th</sup> April, 2016, recommended the appointment of M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai, as one of the joint statutory auditor of your Company in place of

M/s. G. P. Kapadia & Co., to hold office from the conclusion of this AGM until the conclusion of the 21<sup>st</sup> AGM of your Company, subject to ratification by the Members at every AGM till the 20<sup>th</sup> AGM.

Resolutions seeking your approval on these items are included in the Notice convening the AGM.

The observation made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

### Cost Auditors

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed M/s. N.I. Mehta & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, as Cost Auditors, to conduct the cost audit of your Company for the financial year ending 31<sup>st</sup> March, 2017, at a remuneration as mentioned in the Notice convening the AGM.

As required under the Act, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to Cost Auditors forms a part of the Notice of the AGM.

### Secretarial Auditors

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. BNP & Associates, Company Secretaries, Mumbai as Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year ended 31<sup>st</sup> March, 2016. The report of the Secretarial Auditors is attached as Annexure VII.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31<sup>st</sup> March, 2016 is given in Annexure VIII to this report.

## OTHER DISCLOSURES

- There were no material changes and commitments affecting the financial position of your Company between end of the financial year and the date of this report.

- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company did not issue any sweat equity shares.
- During the year, your Company did not receive any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### ACKNOWLEDGEMENT

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates,

Central and State Governments for their co-operation and support and look forward to their continued support in future.

We thank our employees for their contribution to your Company's performance. We applaud them for their superior competence, dedication and commitment.

For and on behalf of the Board



Kumar Mangalam Birla

Chairman

(DIN: 00012813)

Mumbai, 9<sup>th</sup> June, 2016

## ANNEXURE I

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Member of  
**UltraTech Cement Limited**

We have examined the compliance of the conditions of Corporate Governance by **UltraTech Cement Limited** for the year ended on March 31, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") and Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of the condition of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provision as specified in Chapter IV of SEBI Regulations and Clause 49 of the Listing Agreement of the said Company with stock exchanges.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **G. P. Kapadia & Co.**  
Chartered Accountants  
Firm Regn. No.:104768W

**Atul B. Desai**  
(Partner)  
Membership No. 30850

Place: Mumbai  
Date: 25<sup>th</sup> April, 2016

## ANNEXURE II

### ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs	: To actively contribute to the social and economic development of the communities in which we operate. In so doing and built a better, sustainable way of life for weaker sections of society, to contribute effectively towards inclusive growth and raise the country's human development index. Our projects focus on – education, healthcare, sustainable livelihood, infrastructure development and social reform, epitomising a holistic approach to inclusive growth.  The Company's CSR policy can be accessed on: <a href="http://www.ultratechcement.com">http://www.ultratechcement.com</a>
2	Composition of the CSR Committee	: Mrs. Rajashree Birla, Chairperson Mr. G.M. Dave, Member Mr. O. P. Puranmalka, Member Mr. K. K. Maheshwari, Member Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR, Permanent Invitee
3	Average net profit of the Company for last three financial years	: ₹ 2,891 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	: ₹ 57.82 Crores
5	Details of CSR spent during the financial year	
	Total amount to be spent for the financial year	: ₹ 57.82 Crores
	Amount unspent, if any	: ₹ 6.93 Crores
	Manner in which the amount spent during the financial year	: Details given below

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative expenditure upto to the reporting period (₹ in crores)	Amount spent: Direct / through implementation agency
1.	1. Preschool education project Balwadies/ playschools/ crèches, strengthening Anganwadi Centre	Education	Rajasthan - Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat - Amreli, Bhuj, Maharashtra - Chandrapur, Solapur, Ratnagiri, Chhattisgarh - Baloda Bazaar, Karnataka - Gulbarga, Andhra Pradesh - Kurnool, Anantapur, Tamilnadu - Ariyalur, Odisha - Jharsuguda, West Bengal - Bolpur, Bihar - Patna, Nalanda	0.40	0.43	12.10	All expenses incurred directly by the Company

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget ) Project / Program wise ₹ in crores	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads ₹ in crores	Cumulative expenditure upto to the reporting period ₹ in crores	Amount spent: Direct / through implementation agency
2.	2. School Education Project  Enrollment awareness programs/ event, formal schools outside campus (Company run), Education Material (Study materials, Uniform, Books etc), Scholarship (Merit and Need based assistance), School competitions / Best teacher award, Cultural events, Quality of Education (support teachers, Improve education methods), specialised coaching, exposure visits / awareness, formal schools inside campus (Company Schools), Support to Midday Meal Project.			9.55	9.46		
	3. Education support programs  Knowledge centre and library, adult and non formal education, celebration of National days / International days, computer education, reducing drop-out and continuing education (Kasturba balika/ bridge courses/counselling), Career counselling and orientation.			0.45	0.24		
	4. Vocational and Technical Education  strengthening ITI's. skills based individual training program			0.50	0.27		
	5. School Infrastructure  Buildings and civil structures (new), Buildings and civil structures (renovation and maintenance), school sanitation/ drinking water, school facilities and fixtures (furniture/blackboards/ computers).			1.80	1.70		
	2. 1. Preventive Health Care  Immunisation, Pulse polio immunisation, Health Check-up camps, Ambulance Mobile Dispensary Program, Malaria/ Diarrhoea /Control programs, Health & Hygiene awareness programs, School Health/Eye/Dental camps, Yoga/ fitness classes.  2. Curative Health Care program  General Health camps, Specialised Health Camps, Eye camps, Treatment Camps (Skin, cleft,etc.), Cleft camp, Homeopathic/ Ayurvedic Camps, Surgical camps, Tuberculosis/ Leprosy, Company operated hospitals/ dispensaries/ clinic.  3. Reproductive and Child Health  Mother and child health care (ante natal care, pre natal care and neonatal care), adolescent health care, infant and child health (healthy baby competition), support to family planning /camps, Nutritional programs for mother/child.  4. Quality/ Support Program  Referral services treatment of BPL, old age or needy patient, HIV- AIDS Awareness Program, RTI/ STD Awareness program, Support for differently abled, ambulance services, blood donation camps, blood grouping.	Health	Rajasthan- Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat- Amreli, Bhuj, Maharashtra- Chandrapur, Solapur, Ratnagiri, Chhattisgarh- Baloda Bazaar, Karnataka- Gulbarga, Andhra Pradesh- Kurnool, Anantapur, Tamilnadu- Ariyalur, Odisha- Jharsuguda, West Bengal- Bolpur	0.45 4.70 1.60 0.10	0.43 4.74 1.65 0.07	14.56	All expenses incurred directly by the Company

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget ) Project / Program wise (` in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (` in crores)	Cumulative expenditure upto to the reporting period (` in crores)	Amount spent: Direct / through implementation agency
	5. Health Infrastructure  Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), village community sanitation (toilets/ drainage), individual toilets, drinking water new sources, (Hand pump/ RO/ Water Tank/ well), drinking water existing sources (operation/ maintenance), water source purification.			9.50	7.67		
3.	1. Agriculture and Farm Based  Agriculture & horticulture training program/ farmers group transfer of technology- demonstration plots, support for horticulture plots, seeds improvement program, support for improved agriculture equipment and inputs, Exposure visits / support for agricultural mela, integrated agricultural/ horticultural improvement, program/ productivity improvement programs, soil health and organic farming.  2. Animal Husbandry Based  Treatment and vaccination, breed improvement productivity, improvement programs and training.  3. Non-farm & Skills Based Income generation program  Capacity building program-Tailoring, Beauty Parlour, Mechanical, Rural Enterprise development & Income Generation Programs, Support to SHGs for entrepreneurial activities  4. Natural Resource conservation programs & Non-conventional Energy  Bio gas support program, Solar energy support and other energy support programs - (low smoke wood stoves/sky light), plantation/ green belt development / roadside plantation, soil conservation / land improvement, water conservation and harvesting (small structures/ bigger structures, community pasture land development/orchard development.  5. Livelihood Infrastructure	Environment and livelihood	Rajasthan- Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat- Amreli, Bhuj, Maharashtra- Chandrapur, Solapur, Ratnagiri, Chhattisgarh- Baloda Bazaar, Karnataka-Gulbarga, Andhra Pradesh- Kurnool, Anantapur, Tamilnadu- Ariyalur, Odisha- Jharsuguda	1.00  0.40  1.00  1.50  1.00	0.27  0.33  0.64  0.74  0.47	2.45	All expenses incurred directly by the Company
4.	Rural Infrastructure Development other than for the purpose of health /education/ livelihood  New roads/culverts/bridges/bus stands, repair roads/culverts/bridges/bus stands community halls/ housing, other community assets and shelters.  Support for roads/culverts/bridges/bus stands Repair of Infrastructure Individual and shelter assets	Rural Development projects	Rajasthan- Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat- Amreli, Bhuj, Maharashtra- Chandrapur, Solapur, Ratnagiri, Chhattisgarh- Baloda Bazaar, Karnataka- Gulbarga, Andhra Pradesh- Kurnool, Anantapur, Tamilnadu- Ariyalur Odisha- Jharsuguda	4.80 9.20 0.19	4.21 9.19 0.30	13.70	All expenses incurred directly by the Company

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget ) Project / Program wise (` in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (` in crores)	Cumulative expenditure upto to the reporting period (` in crores)	Amount spent: Direct / through implementation agency
5.	1. Institutional building & strengthening Strengthening/ formation of community based organisation (SHGs), support to development organisations, oldage home, orphanage.	Social empowerment	Rajasthan- Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat- Amreli, Bhuj, Maharashtra- Chandrapur, Solapur, Ratnagiri, Chhattisgarh- Baloda Bazaar, Karnataka- Gulbarga, Andhra Pradesh- Kurnool, Anantapur, Tamilnadu- Ariyalur Odisha- Jharsuguda	0.58	0.56	1.64	All expenses incurred directly by the Company
	2. Social Security Support to old age/ widow/ physically challenged person / poor insurance, pension scheme.			0.04	0.02		
	3. Awareness programs Community awareness program, awareness campaign social abuse, early marriage / HIV Prevention.			0.20	0.54		
	4. Social Events to minimise causes of poverty Support to mass marriage/ widow remarriage, National/International day celebrations with community, support with basic necessities.			0.28	0.15		
	5. Promotion of culture/sports Support to rural cultural program, festivals & melas, support to rural sports.			0.18	0.15		
	6. Disaster Relief Programs			2.00	0.22		
6.	Protection of Heritage / Art / Culture	Protection of Heritage, art and culture		3.40	3.41	3.41	All expenses incurred directly by the Company
	Overheads			3.00	3.03	3.03	
	Total			57.82	50.89	50.89	

**6. Reason for not spending two percent of the average net profit of the last three financial years on CSR:**

The Company's CSR activities are focused on Social Empowerment & Welfare, Infrastructure Development, Sustainable Livelihood, Health Care and Education. Various activities have been initiated during the year in neighboring villages around its plant locations resulting in a spend of ₹ 50.89 crores (1.8% of the average net profits of the last three years for the purposes of CSR). The Company has also identified projects under the Swachh Bharat Abhiyan, work on which was started last year and will be intensified during the current year.

**7. A Responsibility Statement of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company:**

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

K. K. Maheshwari  
Managing Director  
(DIN: 00017572)

9<sup>th</sup> June, 2016

Rajashree Birla  
Chairperson, CSR Committee  
(DIN: 00022995)

# ANNEXURE III

## Form AOC-1

Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Reserves and Surplus	Share Capital Including Share application Money	Total Assets (Non Current Assets + Current Assets+excluding Current Assets and Non-Current Investments)	Total Liabilities (Non Current Liabilities+ Current Liabilities + Deferred Tax Assets + Deferred Tax Liabilities + Net Investment in the subsidiary companies)- Treasury Bill	(Amount in Crores)			% of shareholding		
								Details of Current Investments and Non Current Investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for taxation after Taxation		
1	Dakshin Cements Limited	2015-16	₹	0.05	(0.05)	₹31,774 ₹49,989	₹43,734 ₹48,958	-	-	₹(6,991) ₹(10,000)	-	100%	
2	Hanshi Cement Limited	2015-16	₹	0.25	153.48	1,39	2.40	-	-	-	-	100%	
3	Gotan Limestone Khanij Udyog Pvt. Ltd.	2015-16	₹	0.25	152.63	155.30	2.37	-	-	-	-	100%	
4	Bhagwati Lime Stone Company Pvt. Ltd.	2014-15	₹	0.01	2.33	19.62	2.16	1.41	-	0.04 (2.47)	-	100%	
5	UltraTech Cement Lanka Pvt. Ltd.	2015-16	SR	0.01	2.32	19.45	2.20	0.92	7.96	(2.45)	0.02 (2.47)	-	
6	UltraTech Cement Middle East Investments Ltd. (Standalone)	2015-16	AED	0.01	1.89	1.89	0.01	-	-	-	-	100%	
7	Star Cement Co LLC, Dubai @	2015-16	AED	0.01	1.91	1.94	0.02	-	-	-	-	100%	
8	Arabian Cement Industry LLC, Abu Dhabi @	2015-16	AED	5.09	91.76 (247.17)	227.6 58.00 50.00	71.57 32.57 223.54	50.13	1,031.48 48.19	86.69 40.29	24.58 11.42	62.10 28.87	22.76 70.00 32.66
9	Star Cement Co. LLC, Ras Al Khaimah @	2015-16	AED	5.09	64.18 (14.86)	64.18	73.95	-	19.28	-	19.28	100%	
10	Al Nakha Crushers LLC, Fujairah @	2015-16	AED	1.00	43.31 (78.03)	2,812.23 323.52 (33.40)	2,849.88 0.19 3.26	77.11 94.66 49.04	74.13 1,309.24	20.29	-	53.84 50.00	-
11	Arabian Gulf Cement Company WLL, Bahrain @	2015-16	AED	14.36	238.99 (25.30)	81.66 3.40	1,612.73 1,272.07	1,254.55	-	40.06 (2.15)	-	350.04 (35.81)	
12	Emirates Cement Bangladesh Ltd, Bangladesh @	2014-15	AED	14.36	215.77	1,089.58	1,254.55	666.66	666.66 (55.81)	21.75 0.97	-	0.97 16.22	
13	Emirates Power Company Ltd, Bangladesh @	2015-16	AED	3.61	36.08 (1.49)	36.08 16.98 (90.84)	356.95 19.75 33.52	417.69 24.10 21.00	31.87 578.62	1.15 20.90	-	1.15 20.90	
14	Awam Minerals LLC , Sultanate of Oman @ (w.e.f. 23 <sup>rd</sup> April , 2014)	2015-16	AED	0.03	0.89	89.43	70.54	-	34.55	2.95	-	100%	
15	PT UltraTech Mining Indonesia	2015-16	Rupee	5.80	0.05 (0.04)	1,612.73 95.18	1,612.73 117.09	1,272.07 117.09	627.25 65.13	53.49	-	53.49	
16	PT UltraTech Investment Indonesia	2014-15	Rupee	5.27	155.68 0.80	179.08 1.86	18.13 1.03	77.29 1,312.20	41.61 1,132.22	6.91 69.38	-	6.91 114.94	
17	PT UltraTech Cement Indonesia	2015-16	Rupee	4.96	132.51 (91.02)	308.07 222.62 188.29	170.60 171.32 144.89	-	42.5 202.97 187.38 159.89	4.25 31.70 (4.83) (4.12)	-	4.25 17.84 20.13 (1.04)	
		2014-15	Takka	158.93 134.42	(107.62) (91.02)	158.93 122.27 175.11	161.92 227.00 129.66	-	183.71 188.10 (12.13)	0.56	-	0.56 (5.45) (4.65)	
		2015-16	Takka	158.93 228.3	(21.15) (17.89)	158.93 227.00 17.63	150.00 20.84 12.68	-	188.10 (1.70)	0.56	-	0.56 (2.83)	
		2014-15	Takka	22.00 27.00 21.62	(21.15) (21.15) (16.94)	24.56 17.63 19.67	12.68 12.68 14.99	-	188.10 (1.70)	0.56	-	0.56 (2.27)	
		2015-16	Omani Riyal	0.05 0.04	0.16 (0.04)	0.16 0.00 0.09	0.15 26.82 26.01	0.17 0.07 0.07	183.71 29.30 (4.56)	-	-	0.17 0.01 (0.01)	
		2014-15	Omani Riyal	0.04 6.00	0.04 (2.33)	0.04 15.10	0.07 11.42	-	188.10 (2.22)	-	-	0.07 (2.22)	
		2015-16	Indonesian Rupee	9.97 1,158.90 9.06	1,149.84	-	-	-	188.10 9.01	-	-	9.01	
		2014-15	Indonesian Rupee	5.80 1,158.90	(0.05)	0.12 1,147.02	-	-	188.10 4.70	-	-	4.70	
		2015-16	Indonesian Rupee	5.53 1,992.40	(0.09)	5.47 2,037.75	0.03 7.54	-	188.10 (1.42)	-	-	0.02 (1.42)	
		2014-15	Indonesian Rupee	9.51 2,033.46	(1.29)	9.75 1,775.02	0.06 -	-	188.10 (2.22)	-	-	0.01 (2.22)	
		2015-16	Indonesian Rupee	10.17 2,033.46	(57.01)	8.88 1,999.34	22.89	-	188.10 54.80	-	-	0.97 54.80	
		2014-15	Indonesian Rupee	9.71	(0.27)	9.54	0.11	-	188.10 0.26	-	-	0.26	

@ Subsidiaries of UltraTech Cement Middle East Investment Ltd.

UltraTech Cement SA (PTY) (Wholly owned Subsidiary), PT Ultratech Mining Sumatera and UltraTech Cement Mozambique Limitada (Subsidiary's Susbidiary) are yet to start operations and no equity infusion.

**Note:** For converting the figures given in foreign currency appearing in the accounts of the subsidiary companies into equivalent INR, following exchange rates are used for 1 INR.

Sl. No.	Currency	Balance Sheet (Closing Rate)		Profit & Loss Account (Average Rate)	
		2015-16	2014-15	2015-16	2014-15
1	Sri Lankan Rupee (SLR)	2.1973	2.1372	2.1231	2.1436
2	UAE Dirham (AED)	0.0555	0.0589	0.0551	0.0601
3	Takka	1.1824	1.2488	1.1720	1.2478
4	Bahrain Dirham	0.0057	0.0060	0.0057	0.0060
5	Indonesian Rupee	199.8801	209.5118	207.2539	209.5118
6	Omani Riyal	0.0058	0.0062	0.0058	0.0063

#### Part "B" - Joint Ventures

(₹ in crores)

Sl. No.	Name of Associates / Joint Ventures	Madanpura (North) Coal Company Pvt. Ltd.	Bhaskarpura Coal Company Ltd.
1	Latest audited Balance Sheet Date	31.03.2016	31.03.2016
2	Shares of Joint ventures held by the Company on year end Nos.	11,52,560	81,41,050
	Amount of Investment in Joint venture	1.15	8.14
	Extent of Holding (%)	11.17%	47.37%
3	Networth attributable to shareholding as per latest audited Balance Sheet	1.04	7.39
4	Profit /(Loss) for the year i. Considered in consolidation	0.07	(0.01) 0.01
	ii. Not considered in Consolidation	0.06	(₹ 66,529) (₹ 73,917)

For and on behalf of the Board

S. K. Chatterjee  
Company Secretary

Atul Daga  
Chief Financial Officer

K. K. Maheshwari  
Managing Director

R. C. Bhargava  
Director

G. M. Dave  
Director

Mumbai, 25<sup>th</sup> April, 2016

## ANNEXURE IV

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

### A. CONSERVATION OF ENERGY:

#### a) Steps taken or impact on conservation of energy

- Cooler upgradation.
- Cyclone modification in different plants for reduction in heat and power consumption.
- Calciner modification.
- Coal mill fan inlet duct modification.
- Burner modification.
- Installation of Waste Materials pre-processing and firing system.
- Installation of new energy efficient screw pump in coal firing system.
- Process optimisation and productivity improvement through internal modifications grinding media optimisation, conversion of two chambers mill to single chamber mill.
- Maximisation of clinker factor.
- Improvement in raw mill grinding efficiency and cost reduction through blast-induced limestone fragment preconditioning.
- Installation of energy efficient blower for kiln primary air for energy saving.
- Installation of Master air controller for energy saving of compressors.
- Installation of VVFD.
- Replacement plant and colony light with LED for energy saving.
- Upgradation of clay truck tippler for higher capacity to directly unloading into stock pile for energy saving.

#### b) Steps taken by the Company for utilising alternate sources of energy

Following mix of alternate source of energy is adopted by the Company:

- Waste materials utilised - 133,865 Metric tonnes, equivalent to 1.55% of thermal substitution.
- Commissioned Waste Heat Recovery Systems in FY16 – 26 MW; Total capacity as on date – 59 MW. Met 5% of total power requirement during FY16.
- Solar installed capacity of 2.6 MW.
- Wind power installed capacity of 1.13 MW.

#### c) The capital investment on energy conservation equipment

During the year, the Company has made ₹ 73.48 Crores investment on equipment or various capital schemes for conserving the energy resources.

### B. TECHNOLOGY ABSORPTION:

#### a) Efforts made towards technology absorption

- Productivity enhancement through usage of computational techniques and modeling.
- Introduction of new technology “blast-induced limestone fragment preconditioning” for improving the grinding efficiency of raw material grinding circuit.
- Implementation of new technology like SNCR, New burner and high frequency controller to meet out challenges for compliance of new environmental dust and gases norms.

- Multiple collaborative research projects with national and international institutes for future generation building materials.
  - Participation in national / international seminars.
  - Installed shredding machine for shedding of old waste material for using as fuel in kiln.
  - Successfully implemented oxygen enrichment in kiln and Calciner to improve kiln productivity.
- b) Benefits derived like product improvement, cost reduction, product development or import substitution
- Reduction in specific energy consumption.
  - Achieved energy conservation targets assigned under PAT (Perform, Achieve and Trade) targets.
  - Improved product quality and customer satisfaction.
  - Increased skill development of R&D personnel to face future challenges.
  - Development of Portland Limestone Cement.
  - Development of Portland Composite Cement.
- c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
- Nil
- d) Expenditure incurred on Research and Development (R&D)

	(₹ in crores)	2015-16	2014-15
I For In-house R&D:			
Capital Expenditure		4.17	6.30
Recurring Expenditure		14.27	14.07
Total In-house R&D Expenditure		18.44	20.37
II Contribution to Scientific Research Company		12.77	12.51
III Total R&D Expenditure (I+II)		31.21	32.88
IV R&D Expenditure as % of turnover		0.13	0.15

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on foreign exchange earnings and outgo is contained in Note 50 and 49 of financial statements.

For and on behalf of the Board

Kumar Mangalam Birla  
*Chairman*  
(DIN: 00012813)

Mumbai, 9<sup>th</sup> June, 2016

## ANNEXURE V

**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 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration* of Director/KMP for financial year 2015-16 (₹ in crores)	% increase in remuneration in the financial year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	Kumar Mangalam Birla, Chairman and Non-Executive Director	19.04	-	355.1	Not Applicable
2	Mrs. Rajashree Birla, Non-Executive Director	1.06	-	19.7	Not Applicable
3	Arun Adhikari, Independent Director	0.11	(7.56)	2.1	Not Applicable
4	R.C. Bhargava, Independent Director	0.33	17.86	6.2	Not Applicable
5	G.M. Dave, Independent Director	0.23	15.19	4.2	Not Applicable
6	Rajiv Dube, Non-Executive Director	0.01	-	0.2	Not Applicable
7	Mrs. Sukanya Kripalu, Independent Director	0.13	**	2.3	Not Applicable
8	S. B. Mathur, Independent Director	0.11	(3.51)	2.1	Not Applicable
9	S. Rajgopal, Independent Director	0.05	@	0.9	Not Applicable
10	Mrs. Renuka Ramnath, Independent Director	0.09	**	1.6	Not Applicable
11	D.D. Rathi, Non-Executive Director	0.01	-	0.2	Not Applicable
12	O. P. Puranmalka, Managing Director	9.13	23.13	170.3	Profit after Tax has increased by 8% in FY 2015-16
13	Dilip Gaur, Deputy Managing Director	3.53	**	65.9	
14	Atul Daga, Chief Financial Officer	1.46	#	Not Applicable	
15	S. K. Chatterjee, Company Secretary	0.87	14.06	Not Applicable	

\* Remuneration includes commission payable to Directors for the year ended 31<sup>st</sup> March, 2016 which is subject to the approval of the Members of the Company. Sitting fees paid to Directors is excluded.

\*\* Was Director for part of the financial year 2014-15.

@ Was Director for part of the financial year 2015-16.

# Mr. Atul Daga was Chief Financial Officer only for part of the financial year 2014-15 w.e.f. 1<sup>st</sup> December, 2014.

- ii. The median remuneration of employees of the Company during the financial year was ₹ 5.36 lacs.
- iii. During the financial year, there was an increase of 13% in the median remuneration of employees.
- iv. There were 14,410 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2016.
- v. Relationship between average increase in remuneration and Company performance:- Average increase in remuneration is about 9% during 2015-16; compared to that the Company's Profit after Tax increased by 8%. The average increase in remuneration is in line with industry benchmark, general inflation and Company performance.

- vi. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:  
The total remuneration of Key Managerial Personnel increased by 17.7% from ₹ 12.74 crores in 2014-15 (on annualised basis) to ₹ 14.99 crores in 2015-16; however it is not comparable as the Deputy Managing Director and the Chief Financial Officer were employed for part of the financial year 2014-15. The Company's profit after tax has increased by 8% during 2015-16.
- vii. a. Variations in the market capitalisation of the Company : The market capitalisation as on 31<sup>st</sup> March, 2016 was ₹ 88,607 crores as against ₹ 78,971 crores as on 31<sup>st</sup> March, 2015.  
b. Price Earnings ratio of the Company was 40.7 as at 31<sup>st</sup> March, 2016 and was 39.2 as at 31<sup>st</sup> March, 2015.  
c. Percent increase over/ decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year- Not Applicable.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 9.1% whereas the increase in the managerial remuneration for the same financial year was 17.7%.
- ix. The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination, Remuneration and Compensation Committee as per the Remuneration Philosophy / Policy of the Company.
- x. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year – None of the employees has remuneration more than the highest paid Directors.
- xi. It is hereby affirmed that the remuneration paid is as per the Remuneration Philosophy / Policy of the Company.

## ANNEXURE VI

UltraTech Cement Limited (“the Company”) an Aditya Birla Group Company adopts/shall adopt this Executive Remuneration Philosophy/Policy as applicable across Group Companies. This philosophy/ policy is detailed below.

### **Aditya Birla Group: Executive Remuneration Philosophy/Policy**

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders.

#### *Our business and organisational model*

Our Group is a conglomerate and organised in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

#### **I. Objectives of the Executive Remuneration Program**

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. Emphasize “Pay for Performance” by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

#### **II. Executives**

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company.
2. Key Managerial Personnel: Chief Executive Officer and equivalent (eg: Deputy Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management.

#### **III. Business and Talent Competitors**

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group’s global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

#### **IV. Executive Pay Positioning**

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognise the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

#### **V. Executive Pay-Mix**

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits.

*Annual Incentive Plan:*

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/ focus areas for the business.

*Long-Term Incentive:*

Our Long-term incentive plans incentivise stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long term incentive vehicle, to motivate and retain our executives.

## **VI. Performance Goal Setting**

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

## **VII. Executive Benefits and Perquisites**

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

*Other Remuneration Elements*

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale and generally do not provide for any tax gross-ups for our executives.

*Risk and Compliance*

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

*Claw back Clause*

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act, 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

*Implementation*

The Group and Business Centre of Expertise teams will assist the Nomination, Remuneration and Compensation Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.

## ANNEXURE VII

### SECRETARIAL AUDIT REPORT

For the financial year ended 31<sup>st</sup> March, 2016

[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  
**UltraTech Cement Limited**  
 B-Wing, Ahura Centre, 2<sup>nd</sup> Floor,  
 Mahakali Caves Road,  
 Andheri East,  
 Mumbai 400093

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by UltraTech Cement Limited (hereinafter called 'the Company') for the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the 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; we hereby report that in our opinion, the Company has, during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder and the Companies Act, 1956 (to the extent applicable to the Company);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (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.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India related to meetings and minutes;
- (ii) Listing Agreements entered into by the Company with the Stock Exchanges.

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

We have also examined, on 'test check' basis, the relevant documents and records maintained by the Company under the Mines and Minerals (Development and Regulation) Act, 1957.

Based on such examination and having regard to the compliance system prevailing in the Company, the Company has complied with the provisions of the above law during the audit period.

During the period under review, provisions of the following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**We further report that -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were generally 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.

Decisions at the meetings of the Board of Directors of the Company were carried through unanimously.

**We 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.

**We further report that during the audit period, the Company has:**

1. Obtained approval from the members of the Company at the Annual General Meeting held on 28<sup>th</sup> August, 2015 to issue Redeemable Non-Convertible Debentures aggregating up to an amount not exceeding ₹ 9,000 Crores on a Private Placement basis.
2. Signed definitive agreements for the acquisition of the identified cement plants of Jaiprakash Associates Limited in the states of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh having a capacity of 21.20 mtpa at an enterprise value of ₹ 15,900 Crores to be concluded by way of a court sanctioned scheme formulated at a later date.

For BNP & Associates  
Company Secretaries  
[Firm Regn. No. P2014MH037400]

Place: Mumbai  
Date: 25<sup>th</sup> April, 2016

B Narasimhan  
*Partner*  
FCS 1303 / CP No.10440

## ANNEXURE VIII

### Form No. MGT – 9

Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2016

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

<b>I REGISTERATION AND OTHER DETAILS</b>	
i	CIN
ii	Registration Date
iii	Name of the Company
iv	Category / Sub-Category of the Company
v	Address of the Registered office and contact details
vi	Whether Listed company Yes / No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any.

### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Ordinary Portland and Portland Pozzolana Cement	2394	83%

<b>III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Grasim Industries Limited Birlagram, Nagda 456 331 (M.P.)	L17124MP1947PLC000410	Holding	60.25	2(46)
2	Dakshin Cements Limited 503, Aditya Trade Centre, 5 <sup>th</sup> Floor, Ameerpet Hyderabad - 500038, Telangana	U26940TG1993PLC016002	Subsidiary	100	2(87)
3	Harish Cement Limited Ground Floor, Jagjit Complex, Near Naresh Chowk, Sundernagar, Himachal Pradesh - 175019	U26941HP1996PLC019173	Subsidiary	100	2(87)
4	Gotan Lime Stone Khanji Udyog Pvt. Limited D-7, Shastri Nagar, Jodhpur, Rajasthan – 342 003	U14200RJ2012PTC038369	Subsidiary	100	2(87)
5	Bhagwati Limestone Company Pvt. Limited 13, Transport Nagar, Jaipur Rajasthan – 302 003.	U14101RJ1993PTC007788	Subsidiary	100	2(87)

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
6	Madanpur (North) Coal Company Pvt. Limited Navbharat Udyog Bhawan Ring Road No-1, Telibandha, Raipur, Chhattisgarh - 492006	U10101CT2007PTC020161	Associate	11.17	2(6)
7	Bhaskarpara Coal Company Limited Crystal Tower, 1 <sup>st</sup> Floor, G. E. Road, Opp. Minocha Petrol Pump, Telibandha Raipur, Chhattisgarh - 492006	U10100CT2008PLC020943	Associate	47.37	2(6)
8	UltraTech Cement Lanka (Pvt.) Limited 81/11/1, New Nuge Road, Peliyagoda, Sri Lanka	Not Applicable	Subsidiary	80	2(87)
9	UltraTech Cement Middle East Investments Limited P. O. Box 4421, Dubai, UAE	Not Applicable	Subsidiary	100	2(87)
10	PT UltraTech Mining Indonesia Menara Bataia, 16 <sup>th</sup> Floor, Jl. K. H. Mas Mansyur Kav, 126, Jakarta 10220, Indonesia	Not Applicable	Subsidiary	76	2(87)
11	UltraTech Cement SA (PTY), South Africa 7 West Street, Houghton 2198	Not Applicable	Subsidiary	100	2(87)
12	PT UltraTech Investments Indonesia Menara Bataia, 16 <sup>th</sup> Floor, Jl. K. H. Mas Mansyur Kav, 126, Jakarta 10220, Indonesia	Not Applicable	Subsidiary	95	2(87)

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A Promoters									
1 Indian									
(a) Individual/HUF	77,009	-	77,009	0.03	77,009	-	77,009	0.03	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	16,92,00,865	-	16,92,00,865	61.66	16,86,89,744	-	16,86,89,744	61.47	(0.19)
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	16,92,77,874	-	16,92,77,874	61.69	16,87,66,753	-	16,87,66,753	61.50	(0.19)
2 Foreign									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies corp	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other---	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	16,92,77,874	-	16,92,77,874	61.69	16,87,66,753	-	16,87,66,753	61.50	(0.19)
B Public Shareholding									
1 Institutions									
(a) Mutual Funds	78,49,159	5,680	78,54,839	2.85	1,05,93,773	5,471	1,05,99,244	3.86	1.01
(b) Banks/FI	3,61,378	9,376	3,70,754	0.14	1,64,198	8,995	1,73,193	0.06	(0.08)
(c) Central Govt	1,26,436	-	1,26,436	0.05	1,72,474	-	1,72,474	0.06	0.01
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	77,34,654	1,946	77,36,600	2.82	85,30,708	1,946	85,32,654	3.11	0.29
(g) FII's	5,29,97,840	5,947	5,30,03,787	19.32	5,21,65,905	5,947	5,21,71,852	19.01	(0.31)
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	6,90,69,467	22,949	6,90,92,416	25.18	7,16,27,058	22,359	7,16,49,417	26.11	0.93

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
2 Non-Institutions									
(a) Bodies Corp.	1,26,88,587	88,536	1,27,77,123	4.66	1,09,69,455	87,507	1,10,56,962	4.03	(0.63)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,27,42,971	32,85,426	1,60,28,397	5.83	1,27,16,107	30,95,582	1,58,11,689	5.76	(0.07)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,37,060	-	1,37,060	0.05	79,880	-	79,880	0.03	(0.02)
(c) Others (specify)									
Non-Resident (REP)	2,95,964	1,41,781	4,37,745	0.16	2,97,805	1,32,857	4,30,662	0.16	0.00
Non-Resident (Non-REP)	2,68,596	21,295	2,89,891	0.11	3,09,165	20,768	3,29,933	0.12	0.01
Non-Domestic Cos./OCB	264	14,98,852	14,99,116	0.55	264	14,98,852	14,99,116	0.55	0.00
Foreign National	48,638	2,356	50,994	0.02	48,638	2,356	50,994	0.02	0.00
Foreign Financial Banks	200	-	200	0.00	-	-	-	0.00	0.00
Sub-total (B)(2)	2,61,82,280	50,38,246	3,12,20,526	11.38	2,44,21,314	48,37,922	2,92,59,236	10.66	(0.72)
Total Public Shareholding (B)=(B)(1)+(B)(2)	9,52,51,747	50,61,195	10,03,12,942	36.56	9,60,48,372	48,60,281	10,09,08,653	36.77	0.21
TOTAL (A)+(B)	26,45,29,621	50,61,195	26,95,90,816	98.25	26,48,15,125	48,60,281	26,96,75,406	98.27	0.02
C Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	27,44,168	-	27,44,168	1.00	27,44,168	-	27,44,168	1.00	0.00
Public	20,69,501	142	20,69,643	0.75	20,11,718	85	20,11,803	0.73	(0.02)
Grand Total (A+B+C)	26,93,43,290	50,61,337	27,44,04,627	100.00	26,95,71,011	48,60,366	27,44,31,377	100.00	0.00

(ii) Shareholding of Promoters								
Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Mr. Kumar Mangalam Birla	3,837	0.00	-	3,837	0.00	-	0.00
2	Aditya Vikram Kumar Mangalam Birla HUF	10,228	0.00	-	10,228	0.00	-	0.00
3	Grasim Industries Limited	16,53,35,150	60.25	-	16,53,35,150	60.25	-	0.00
4	Mrs. Rajashree Birla	41,701	0.02	-	41,701	0.02	-	0.00
5	Mrs. Neerja Birla	8,011	0.00	-	8,011	0.00	-	0.00
6	Mrs. Vasavadatta Bajaj	13,232	0.00	-	13,232	0.00	-	0.00
7	Trapti Trading & Investments Pvt. Limited	7,92,103	0.29	-	6,98,276	0.25	-	(0.04)
8	Birla Group Holdings Pvt. Limited	1	0.00	-	1	0.00	-	0.00
9	Turquoise Investment and Finance Pvt. Ltd.	17,59,626	0.64	-	13,97,565	0.51	-	(0.13)
10	Hindalco Industries Limited	13,13,748	0.48	-	12,58,515	0.46	-	(0.02)
11	Rajratna Holdings Pvt. Limited	76	0.00	-	76	0.00	-	0.00
12	Vaibhav Holdings Pvt. Limited	76	0.00	-	76	0.00	-	0.00
13	Vikram Holding Pvt. Limited	85	0.00	-	85	0.00	-	0.00
	Total	16,92,77,874	61.69	-	16,87,66,753	61.50	-	(0.19)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)					
Sl. No.	Shareholder's name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Trapti Trading & Investments Private Limited				
	At the beginning of the year	7,92,103	0.29		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Sale of shares on 15 <sup>th</sup> March, 2016	(27,888)	-	7,64,215	0.28
	Sale of shares on 16 <sup>th</sup> March, 2016	(65,939)	-	6,98,276	0.25
	At the end of the year			6,98,276	0.25
2	Turquoise Investments and Finance Private Limited				
	At the beginning of the year	17,59,626	0.64		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Sale of shares on 2 <sup>nd</sup> March, 2016	(112,316)	-	16,47,310	0.60
	Sale of shares on 3 <sup>rd</sup> March, 2016	(9,868)	-	16,37,442	0.60
	Sale of shares on 9 <sup>th</sup> March, 2016	(34,500)	-	16,02,942	0.58
	Sale of shares on 10 <sup>th</sup> March, 2016	(64,999)	-	15,37,943	0.56
	Sale of shares on 11 <sup>th</sup> March, 2016	(31,910)	-	15,06,033	0.55
	Sale of shares on 14 <sup>th</sup> March, 2016	(1,08,468)	-	13,97,565	0.51
	At the end of the year			13,97,565	0.51
3	Hindalco Industries Limited				
	At the beginning of the year	13,13,748	0.48		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Sale of shares on 30 <sup>th</sup> December, 2015	(32,233)	-	12,81,515	0.47
	Sale of shares on 31 <sup>st</sup> December, 2015	(23,000)	-	12,58,515	0.46
	At the end of the year			12,58,515	0.46

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):							
Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares
1	Life Insurance Corporation of India	42,91,759	1.56	1-Apr-2015			
				8-May-2015	73,016	Transfer	43,64,775
				15-May-2015	98,252	Transfer	44,63,027
				31-July-2015	(2,931)	Transfer	44,60,096
				7-Aug-2015	(62,736)	Transfer	43,97,360
				14-Aug-2015	(1,607)	Transfer	43,95,753
				18-Sep-2015	(32,374)	Transfer	43,63,379
				25-Sep-2015	(6,986)	Transfer	43,56,393
				23-Oct-2015	(1,758)	Transfer	43,54,635
				30-Oct-2015	(7,822)	Transfer	43,46,813
				6-Nov-2015	(16,839)	Transfer	43,29,974
				20-Nov-2015	1,70,919	Transfer	45,00,893
				27-Nov-2015	1,22,324	Transfer	46,23,217
				04-Dec-2015	32,515	Transfer	46,55,732
				11-Dec-2015	53,324	Transfer	47,09,056
				8-Jan-2016	2,15,930	Transfer	49,24,986
				15-Jan-2016	2,30,279	Transfer	51,55,265
				22-Jan-2016	3,78,630	Transfer	55,33,895
				29-Jan-2016	76,302	Transfer	56,10,197
				5-Feb-2016	50,000	Transfer	56,60,197
				19-Feb-2016	23,292	Transfer	56,83,489
				26-Feb-2016	4,785	Transfer	56,88,274
				4-Mar-2016	14,928	Transfer	57,03,202
				18-Mar-2016	(1,68,740)	Transfer	55,34,462
				25-Mar-2016	(3,12,958)	Transfer	52,21,504
				31-Mar-2016	(1,17,578)	Transfer	51,03,926
		51,03,926	1.86	31-Mar-2016			
2	Oppenheimer Developing Markets Fund	38,81,542	1.41	1-Apr-2015		No Change	
		38,81,542	1.41	31-Mar-2016			
3	Aberdeen Emerging Markets Fund	37,43,118	1.36	1-Apr-2015			
				18-Sep-2015	(1,47,979)	Transfer	35,95,139
				30-Sep-2015	(62,889)	Transfer	35,32,250
				9-Oct-2015	(5,20,000)	Transfer	30,12,250
				25-Dec-2015	(44,678)	Transfer	29,67,572
				31-Dec-2015	(1,02,978)	Transfer	28,64,594
				8-Jan-2016	(3,44,681)	Transfer	25,19,913
				15-Jan-2016	(35,603)	Transfer	24,84,310
				22-Jan-2016	(12,060)	Transfer	24,72,250
		24,72,250	0.90	31-Mar-2016			
4	Aberdeen Global-Emerging Markets Equity Fund	31,97,711	1.17	1-Apr-2015			
				24-Jul-2015	(41,417)	Transfer	31,56,294
				31-Jul-2015	(658)	Transfer	31,55,636
				14-Aug-2015	(58,019)	Transfer	30,97,617
				21-Aug-2015	(2,23,912)	Transfer	28,73,705
				28-Aug-2015	(1,42,994)	Transfer	27,30,711
		27,30,711	1.00	31-Mar-2016			
5	Pilani Investment And Industries Corporation Ltd.	24,57,966	0.90	1-Apr-2015		No Change	
		24,57,966	0.90	31-Mar-2016			

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):							
Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares
6	Aberdeen Global Indian Equity Limited	24,55,000	0.89	1-Apr-2015			
				30-Sep-2015	(20,963)	Transfer	24,34,037
				9-Oct-2015	(1,79,037)	Transfer	22,55,000
				20-Nov-2015	(1,46,876)	Transfer	21,08,124
				27-Nov-2015	(43,124)	Transfer	20,65,000
				11-Dec-2015	(1,60,000)	Transfer	19,05,000
				25-Dec-2015	(17,447)	Transfer	18,87,553
				31-Dec-2015	(20,281)	Transfer	18,67,272
				8-Jan-2016	(1,79,054)	Transfer	16,88,218
				15-Jan-2016	(3,31,652)	Transfer	13,56,566
				22-Jan-2016	(1,11,506)	Transfer	12,45,060
				11-Mar-2016	(3,00,000)	Transfer	9,45,060
7	Stichting Pensioenfonds ABP	7,45,060	0.27	31-Mar-2016			
		17,36,600	0.63	1-Apr-2015			
				8-May-2015	(5,479)	Transfer	17,31,121
				29-May-2015	(1,00,000)	Transfer	16,31,121
				7-Aug-2015	3,816	Transfer	16,34,937
		0	0.00	21-Aug-2015	(16,34,937)	Transfer	-
8	Aberdeen Emerging Markets Equity Fund, A series of the Aberdeen Institutional Commingled Funds, LLC	17,22,438	0.63	1-Apr-2015			
				24-Apr-2015	4,70,000	Transfer	21,92,438
				5-Jun-2015	(1,17,000)	Transfer	20,75,438
				14-Aug-2015	(18,023)	Transfer	20,57,415
				21-Aug-2015	(69,557)	Transfer	19,87,858
				28-Aug-2015	(44,420)	Transfer	19,43,438
				25-Dec-2015	(77,375)	Transfer	18,66,063
				31-Dec-2015	(89,943)	Transfer	17,76,120
				8-Jan-2016	(3,01,052)	Transfer	14,75,068
				15-Jan-2016	(2,08,394)	Transfer	12,66,674
				22-Jan-2016	(70,236)	Transfer	11,96,438
				4-Mar-2016	94,871	Transfer	12,91,309
				11-Mar-2016	9,129	Transfer	13,00,438
		13,00,438	0.47	31-Mar-2016			
9	Franklin Templeton Investment Funds	16,59,553	0.60	1-Apr-2015			
				19-Feb-2016	(2,80,000)	Transfer	13,79,553
				4-Mar-2016	(1,65,000)	Transfer	12,14,553
		12,14,553	0.44	31-Mar-2016			
10	HDFC Standard Life Insurance Company Limited	13,06,800	0.48	1-Apr-2015			
				10-Apr-2015	29,455	Transfer	13,36,255
				17-Apr-2015	10,440	Transfer	13,46,695
				24-Apr-2015	(56,367)	Transfer	12,90,328
				1-May-2015	3,218	Transfer	12,93,546
				8-May-2015	12,163	Transfer	13,05,709
				22-May-2015	(1,05,236)	Transfer	12,00,473
				29-May-2015	(2,804)	Transfer	11,97,669
				5-Jun-2015	(401)	Transfer	11,97,268
				12-Jun-2015	(8,189)	Transfer	11,89,079

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):							
Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares
				19-Jun-2015	(2,019)	Transfer	11,87,060
				26-Jun-2015	(177)	Transfer	11,86,883
				10-Jul-2015	(1,26,063)	Transfer	10,60,820
				17-Jul-2015	(4,000)	Transfer	10,56,820
				24-Jul-2015	(9,527)	Transfer	10,47,293
				31-Jul-2015	2,430	Transfer	10,49,723
				7-Aug-2015	22	Transfer	10,49,745
				14-Aug-2015	(845)	Transfer	10,48,900
				28-Aug-2015	(8,401)	Transfer	10,40,499
				4-Sep-2015	(2,510)	Transfer	10,37,989
				11-Sep-2015	7,401	Transfer	10,45,390
				18-Sep-2015	(833)	Transfer	10,44,557
				30-Sep-2015	19	Transfer	10,44,576
				9-Oct-2015	(1,526)	Transfer	10,43,050
				16-Oct-2015	1,509	Transfer	10,44,559
				23-Oct-2015	(14,710)	Transfer	10,29,849
				30-Oct-2015	(753)	Transfer	10,29,096
				6-Nov-2015	7,533	Transfer	10,36,629
				13-Nov-2015	(944)	Transfer	10,35,685
				4-Dec-2015	48	Transfer	10,35,733
				11-Dec-2015	(7,054)	Transfer	10,28,679
				18-Dec-2015	(22,338)	Transfer	10,06,341
				8-Jan-2016	(5,661)	Transfer	10,00,680
				15-Jan-2016	(1,02,511)	Transfer	8,98,169
				22-Jan-2016	(41,443)	Transfer	8,56,726
				5-Feb-2016	84	Transfer	8,56,810
				12-Feb-2016	(56,734)	Transfer	8,00,076
				19-Feb-2016	(75,119)	Transfer	7,24,957
				26-Feb-2016	101	Transfer	7,25,058
				4-Mar-2016	(1,916)	Transfer	7,23,142
				11-Mar-2016	98	Transfer	7,23,240
				18-Mar-2016	865	Transfer	7,24,105
				25-Mar-2016	(58,103)	Transfer	6,66,002
				31-Mar-2016	(11,832)	Transfer	6,54,170
		6,54,170	0.24	31-Mar-2016			
11	General Insurance Corporation of India	12,10,117	0.44	1-Apr-2015			
				17-Apr-2015	43,000	Transfer	12,53,117
				24-Apr-2015	15,000	Transfer	12,68,117
				1-May-2015	2,000	Transfer	12,70,117
				19-Feb-2016	(5,565)	Transfer	12,64,552
				26-Feb-2016	(38,133)	Transfer	12,26,419
				4-Mar-2016	(6,302)	Transfer	12,20,117
				11-Mar-2016	(20,000)	Transfer	12,00,117
				25-Mar-2016	(20,000)	Transfer	11,80,117
				31-Mar-2016	(40,000)	Transfer	11,40,117
		11,40,117	0.42	31-Mar-2016			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):							
Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares
12	J P Morgan SICAV Investment Company (Mauritius) Limited	7,54,729	0.28	1-Apr-2015			
				10-Apr-2015	1,35,000	Transfer	8,89,729
				17-Apr-2015	65,000	Transfer	9,54,729
				1-May-2015	34,714	Transfer	9,89,443
				8-May-2015	1,04,742	Transfer	10,94,185
				22-May-2015	1,00,000	Transfer	11,94,185
				12-Feb-2016	(25,000)	Transfer	11,69,185
				26-Feb-2016	(37,093)	Transfer	11,32,092
				25-Mar-2016	(35,000)	Transfer	10,97,092
		10,97,092	0.40	31-Mar-2016			
13	Stichting Depositary APG Emerging Markets Equity Pool	-	0.00	1-Apr-2015			
				21-Aug-2015	16,34,937	Transfer	16,34,937
				4-Mar-2016	9,229	Transfer	16,44,166
		16,44,166	0.60	31-Mar-2016			

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kumar Mangalam Birla	14,065	0.01	14,065	0.01
2	Mrs. Rajashree Birla	41,701	0.02	41,701	0.02
3	R. C. Bhargava	129	0.00	129	0.00
4	Adesh Gupta*	619	0.00	-	-
5	S. B. Mathur	57	0.00	57	0.00
6	D. D. Rathi	2,515	0.00	2,515	0.00
7	O.P. Puranmalka	8,089	0.00	11,832	0.00
8	Atul Daga	30	0.00	230	0.00
9	S. K. Chatterjee	573	0.00	523	0.00

\* Resigned w.e.f. 30<sup>th</sup> June, 2015.

V.	INDEBTEDNESS	Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Crores)			
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	3,234	4,180	-	7,414
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	96	31	-	127
	<b>Total (i+ii+iii)</b>	<b>3,330</b>	<b>4,211</b>	-	<b>7,541</b>
Change in Indebtedness during the financial year					
•	Addition	1,176	840	-	2,016
•	Reduction	400	1,370	-	1,770
	<b>Net Change</b>	<b>4,106</b>	<b>3,681</b>	-	<b>7,787</b>
Indebtedness at the end of the financial year					
i)	Principal Amount	4,011	3,650	-	7,661
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	105	8	-	113
	<b>Total (i+ii+iii)</b>	<b>4,116</b>	<b>3,658</b>	-	<b>7,774</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL								
(₹ in Crores)								
Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount		
		O. P. Puranmalka Managing Director	Dilip Gaur Deputy Managing Director					
1	Gross Salary							
	(a) Salary as per provisions contained in Section 17(1) of the Income - Tax Act, 1961	8.01			3.22		11.23	
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.55			0.44		0.99	
	(c) Profit in lieu of Salary under Section 17(3) of the Income - Tax Act, 1961	-			-		-	
2	Stock Option	1.25			0.31		1.56	
3	Sweat Equity	-			-		-	
4	Commission	-			-		-	
	- as % of profit							
	- others, specify							
5	Others, please specify	-			-		-	
	Total (A)	9.81			3.97		13.78	
	Ceiling as per the Act (being 10% of the net profit as worked out as per Section 198 of the Companies Act, 2013)						294.55	
B. REMUNERATION TO OTHER DIRECTORS								
Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Arun Adhikari	R. C. Bhargava	G. M. Dave	Mrs. Sukanya Kripalu	S. B. Mathur	Mrs. Renuka Ramnath	S. Rajgopal
1.	Independent Directors							
	Fee for attending board / Committee Meetings	0.03	0.05	0.06	0.04	0.03	0.02	0.25
	Commission	0.11	0.33	0.23	0.13	0.11	0.09	0.05
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	0.14	0.38	0.29	0.17	0.14	0.11	0.07
2.	Other Non-Executive Directors	Kumar Mangalam Birla	Mrs. Rajashree Birla	Rajiv Dube	Adesh Gupta	D. D. Rathi		
	Fee for attending board / Committee Meetings	0.03	0.01	0.03	0.005	0.04		0.12
	Commission	19.04	1.06	0.01	0.00	0.01		20.12
	Others, please specify	-	-	-	-	-		-
	Total (2)	19.07	1.07	0.04	0.005	0.05		20.24
	Total (B) = (1+2)							21.54
	Total Managerial Remuneration							33.76
	Overall Ceiling as per the Act (being 11% of the net profit as worked out as per Section 198 of the Companies Act, 2013)							324.00
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD								
Sl. No.	Particulars of Remuneration	Key managerial Personnel						
			Atul Daga CFO	S. K. Chatterjee Company Secretary			Total	
1.	Gross Salary							
	(a) Salary as per provisions contained in Section 17(1) of the Income- Tax Act, 1961		1.31		0.79			2.10
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961		0.05		0.01			0.06
	(c) Profit in lieu of Salary under Section 17(3) of the Income - Tax Act, 1961		-		-			-
2.	Stock Option		0.13		0.03			0.16
3.	Sweat Equity		-		-			-
4.	Commission		-		-			-
	- as % of profit							
	- others, specify							
5.	Others, please specify		-		-			-
	Total (C)		1.49		0.83			2.32
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES								
	There were no penalties / punishment / compounding of offences for year ended 31 <sup>st</sup> March, 2016.							

For and on behalf of the Board

Mumbai, 9<sup>th</sup> June, 2016

Kumar Mangalam Birla  
Chairman  
(DIN: 00012813)

# Independent Auditors' Report

To the Members of  
UltraTech Cement Limited

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of UltraTech Cement Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

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

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

## Other Matter

The standalone financial statements of the Company for the year ended 31 March 2015, were audited jointly by Deloitte Haskins & Sells LLP and G. P. Kapadia & Co. who expressed an unmodified opinion on those standalone financial statements on 25 April 2015.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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" and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30(a) to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts as at 31 March 2016 for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP  
 Chartered Accountants  
 Firm's Registration No: 101248W/W-100022

Vikas R Kasat  
 Partner  
 Membership No: 105317  
 Mumbai  
 25 April 2016

For G.P. Kapadia & Co.  
 Chartered Accountants  
 Firm's Registration No: 104768W

Atul B. Desai  
 Partner  
 Membership No: 30850  
 Mumbai  
 25 April 2016

## Annexure A to Independent Auditors' Report - 31 March 2016

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the Company:

Particulars	Leasehold Land	Freehold Land	Buildings	₹ in Crores
Gross block as at 31 March 2016	233.36	1,002.01	45.44	
Net block as at 31 March 2016	203.13	1,002.01	21.95	

- ii. The inventory, except for goods-in-transit and stocks lying with third parties, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipt have been verified or confirmations have been obtained from those parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which has not been deposited as on 31 March 2016 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum Where Dispute is Pending	Period to which amount relates (Assessment Year)	Amount (₹ in Crores)
Sales Tax/ Value Added Tax	Sales Tax, Interest and Penalty	Supreme Court	2000 to 2006	163.21
		High Court	1988 to 2014	16.68
		Tribunal(s)	1985 to 2016	63.80
		Appellate Authorities	1992 to 2016	149.02
Customs Act, 1962	Custom Duty, Interest and Penalty	High Court	2002-2005	41.36
		Tribunal(s)	2000-2013	142.23
		Appellate Authorities	2003-2015	0.11
Central Excise Act, 1944	Excise Duty, Interest and Penalty	Supreme Court	1999-2011	41.99
		High Court	1998-2011	38.09
		Tribunal(s)	1995-2016	434.64
		Appellate Authorities	1996-2016	236.92
Finance Act, 1994	Service Tax, Interest and Penalty	Supreme Court	2004-2008	18.36
		High Court	2005-2010	3.72
		Tribunal(s)	2003-2016	205.70
		Appellate Authorities	2004-2016	21.24
Income Tax Act, 1961	Income Tax, Interest and Penalty	High Court	2001-2006	1.20
		Appellate Authorities	2009-2015	354.29

- viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and debenture holders.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained other than temporary deployment pending application. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. According to 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. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Vikas R Kasat  
Partner  
Membership No: 105317  
Mumbai  
25 April 2016

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm's Registration No: 104768W

Atul B. Desai  
Partner  
Membership No: 30850  
Mumbai  
25 April 2016

# Annexure B to Independent Auditors' Report – 31 March 2016

(Referred to in our report of even date)

## **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of UltraTech Cement Limited ("the Company") as at 31 March 2016 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) 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
- (c) 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Vikas R Kasat  
Partner  
Membership No: 105317  
  
Mumbai  
25 April 2016

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm's Registration No: 104768W

Atul B. Desai  
Partner  
Membership No: 30850  
  
Mumbai  
25 April 2016

# Balance Sheet as at March 31, 2016

₹ in Crores

Particulars	Notes		As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	2		274.43	274.40
Reserves and Surplus	3		20,461.66	18,583.28
			20,736.09	18,857.68
<b>Non-Current Liabilities</b>				
Long-term Borrowings	4		2,490.84	4,613.75
Deferred Tax Liabilities (Net)	5		3,227.37	2,792.01
Other Long-term Liabilities	6		7.98	1.34
Long-term Provisions	7		180.77	163.36
			5,906.96	7,570.46
<b>Current Liabilities</b>				
Short-term Borrowings	8		2,339.07	1,898.08
Trade Payables	9		1,613.57	1,553.47
Other Current Liabilities	10		6,310.49	4,195.61
Short-term Provisions	7		945.90	1,139.65
			11,209.03	8,786.81
<b>Total</b>			37,852.08	35,214.95
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Fixed Assets				
Tangible Assets	11	22,434.71		20,878.66
Intangible Assets	11	98.00		68.80
Capital Work-in-Progress		1,414.48		2,068.85
Intangible Assets under Development		1.08		4.84
		23,948.27		23,021.15
Non-Current Investments	12		3,080.51	2,685.77
Long-Term Loans and Advances	13		1,617.84	1,690.39
Other Non-Current Assets	14		14.46	13.37
			28,661.08	27,410.68
<b>Current Assets</b>				
Current Investments	15		2,027.61	2,522.98
Inventories	16		2,426.09	2,751.41
Trade Receivables	17		1,414.89	1,203.19
Cash and Bank Balances	18		2,235.20	200.57
Short-term Loans and Advances	13		1,058.14	1,110.13
Other Current Assets	19		29.07	15.99
			9,191.00	7,804.27
<b>Total</b>			37,852.08	35,214.95
<b>Significant Accounting Policies</b>	1			

The accompanying Notes referred to above form an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

Mumbai, April 25, 2016

S. K. CHATTERJEE  
Company Secretary

# Statement of Profit and Loss

for the year ended March 31, 2016

₹ in Crores

Particulars	Notes	Year ended March 31, 2016	Year ended March 31, 2015
<b>REVENUE</b>			
Sale of Products and Services (Gross)	20	27,073.88	25,710.19
Less: Excise Duty		(3,232.85)	(3,062.69)
Sale of Products and Services (Net)		23,841.03	22,647.50
Other Operating Revenues	21	266.33	279.69
<b>Revenue from Operations (Net)</b>		<b>24,107.36</b>	<b>22,927.19</b>
Other Income	22	235.16	371.78
<b>Total Revenue (I)</b>		<b>24,342.52</b>	<b>23,298.97</b>
<b>EXPENSES</b>			
Cost of Raw Materials Consumed	23	3,553.71	3,280.62
Purchases of Stock-in-Trade	24	439.68	389.52
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(12.31)	(110.06)
Employee Benefits Expense	26	1,341.52	1,218.29
Power and Fuel		4,240.81	4,742.89
Freight and Forwarding Expense	27	5,934.90	5,393.29
Other Expenses	28	4,029.28	3,859.37
		19,527.59	18,773.92
Less: Captive Consumption of Cement {Net of Excise Duty ₹ 32.95 Crores, (Previous Year ₹ 37.71 Crores)}		(36.35)	(41.76)
<b>Total Expenses (II)</b>		<b>19,491.24</b>	<b>18,732.16</b>
<b>Profit before Interest, Depreciation and Tax (PBIDT) (I)-(II)</b>		<b>4,851.28</b>	<b>4,566.81</b>
Finance Costs	29	505.29	547.45
Depreciation and Amortisation Expense	30	1,289.03	1,133.11
<b>Profit before Tax Expenses</b>		<b>3,056.96</b>	<b>2,886.25</b>
Income Tax Expenses:			
Current Tax		623.41	498.38
MAT Credit		(176.86)	(489.29)
Excess tax provision reversal related to prior years		0.40	-
Deferred Tax Charge		435.36	862.43
<b>Total</b>		<b>882.31</b>	<b>871.52</b>
<b>Profit for the Year</b>		<b>2,174.65</b>	<b>2,014.73</b>
Earnings Per Equity Share (Face Value ₹ 10 each)	42		
Basic (in ₹)		79.25	73.44
Diluted (in ₹)		79.20	73.39
Significant Accounting Policies	1		

The accompanying Notes referred to above form an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

Mumbai, April 25, 2016

S. K. CHATTERJEE  
Company Secretary

# Cash Flow Statement

for the year ended March 31, 2016

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit Before tax	3,056.96	2,886.25
Adjustments for:		
Depreciation and Amortisation	1,289.03	1,133.11
Compensation Expenses under Employees Stock Options Scheme	5.38	4.89
Provision for Doubtful Advances / debts (net)	28.87	0.34
Provision for Diminution in value of Investments	-	1.87
Bad Debts Written-off	1.02	0.79
Excess Provision written back (net)	(36.19)	(22.37)
Provision for Wealth Tax	-	2.48
Provision for Retirement Benefits	18.47	23.18
Provision for Mines Restoration	2.84	2.29
Interest and Dividend Income	(79.44)	(60.24)
Finance Costs	505.29	547.45
Unrealised Foreign Exchange (Gain) / Loss	-	(0.29)
Loss on Sale of Fixed Assets	0.13	2.16
Profit on Sale of current Investments (net)	(145.81)	(299.49)
<b>Operating Profit before Working Capital Changes</b>	<b>4,646.55</b>	<b>4,222.42</b>
Movements in working capital:		
Increase in Trade payables and other Liabilities	361.90	399.03
(Increase) / Decrease in Trade receivables	(231.15)	77.37
Decrease/(Increase) in Inventories	325.32	(339.83)
Decrease/(Increase) in Loans and Advances and Other Current Assets	63.46	(127.50)
<b>Cash Generated from Operations</b>	<b>5,166.08</b>	<b>4,231.49</b>
Direct Taxes paid	(835.47)	(148.56)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>4,330.61</b>	<b>4,082.93</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(2,053.38)	(2,579.93)
Sale of Fixed Assets	17.51	12.05
Expenditure for Cost on Assets transferred from Samruddhi Cement Limited (SCL), pursuant to Scheme of Amalgamation	-	(25.00)
Purchase of Non Current Investments (net)	(319.30)	(601.57)
Advances given to Subsidiaries and Joint Venture (net)	-	(5.07)
(Investment) / Redemption in Bank deposits (having original maturity of more than three months)	(19.66)	0.32
Investment in Subsidiaries / Joint Venture	(1.78)	(1.35)
Sale of Current Investments (net)	567.52	1,262.89
Interest / Dividend Received	76.76	58.24
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,732.33)</b>	<b>(1,879.42)</b>

# Cash Flow Statement

(contd.) for the year ended March 31, 2016

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Share Capital	2.67	1.58
Repayment of Long Term Borrowings	(901.41)	(310.97)
Proceeds from Long Term Borrowings	706.91	1,008.25
Proceeds from Short Term Borrowings (net)	440.99	1,518.90
Repayment of Borrowings transferred from JCCL, pursuant to Scheme of Arrangement	-	(3,647.08)
Interest Paid	(538.80)	(549.48)
Dividend Paid	(246.18)	(246.00)
Corporate Dividend Tax	(46.40)	(41.95)
<b>Net Cash used in Financing Activities (C)</b>	<b>(582.22)</b>	<b>(2,266.75)</b>
 <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)</b>	 <b>2,016.06</b>	 <b>(63.24)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>66.27</b>	<b>129.51</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>2,082.33</b>	<b>66.27</b>
<b>Cash and Bank balance as per Note 18</b>	<b>2,235.20</b>	<b>200.57</b>
<b>Less: Fixed Deposits not considered as Cash &amp; Cash Equivalent</b>	<b>(152.87)</b>	<b>(134.30)</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>2,082.33</b>	<b>66.27</b>

**Notes:**

1. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 specified under Section 133 of the Companies Act, 2013.
2. Purchase of fixed assets includes movements of capital work-in-progress (including Capital Advances) during the year.

**Significant Accounting Policies**

**Note 1**

The accompanying Notes referred to above form an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

Mumbai, April 25, 2016

S. K. CHATTERJEE  
Company Secretary

# Notes to Financial Statements

## Note 1: Company Profile & Significant Accounting Policies:

### (i) Company Overview:

Ultratech Cement Limited (the Company) is a Public Limited Company incorporated in India under the provisions of Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in the manufacturing and selling of Cement and Cement related products. The Company caters mainly to the domestic market.

### (ii) Basis of Accounting and preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These financial statements comply in all material aspects with the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

### (iii) Use of estimates:

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

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

### (iv) Classification of Assets and Liabilities into Current/Non-current:

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

### (v) Fixed Assets:

Fixed assets (whether Tangible or Intangible) are stated at cost less accumulated depreciation / amortization / impairment loss (if any), net of Cenvat (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, if capitalisation criteria are met, and other incidental expenses incurred in relation to their acquisition / bringing the assets for their intended use.

Spares which can be used only in connection with a particular Plant and Equipment of the Company and use is expected to be irregular, are capitalised at cost, net of Cenvat (wherever claimed).

Losses arising from the retirement of, and gains / losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under "Other Current Assets".

## Notes to Financial Statements

**(vi) Expenditure during construction period:**

Expenditure/ Income, during construction period (including financing cost relating to borrowed funds for construction or acquisition of qualifying fixed assets) is included under Capital Work-in-Progress, and the same is allocated to the respective fixed assets on the completion of their construction. Advances given towards acquisition or construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Long-term loans and advances".

**(vii) Borrowing Costs:**

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

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

**(viii) Depreciation and Amortisation:**

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Companies Act, 2013 and as estimated by the management.

Depreciable amount for assets is the cost of an asset less its estimated residual value.

The useful life of an asset is the period over which an asset is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity.

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II to the Companies Act, 2013. Besides the useful life of specific assets, the company follows the process of componentisation for fixed assets w.e.f. 01.04.2015 as per the requirement of the Act. Accordingly, the company has identified a part of an asset as a separate component in whole asset value (beyond certain value) and useful life of the part is different from the useful life of the remaining asset. The useful life has been assessed based on technical advice, taking into account the nature of the asset / component of an asset, the estimated usage of the asset / component of an asset on the basis of management's best estimation of getting economic benefits from those class of assets / components of an asset. The Company uses its technical expertise along with historical and industry trends for arriving the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Pursuant to the above policy, depreciation on the following assets has been provided based on the estimated useful lives of fixed assets given below:

No.	Nature of Asset/Component of an asset	Useful life of the Assets/Components of an asset
1	Plant & Machinery	10-30 Years
2	Office Equipment	4 Years
3	Furniture and Fixtures	7 Years
4	Mobile Phones	3 Years
5	Company Vehicles (other than those provided to the employees)	5 Years
6	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
7	Leasehold Land and Mining Lease	Period of the Lease

## Notes to Financial Statements

No.	Nature of Asset/Component of an asset	Useful life of the Assets/Components of an asset
8	Assets not owned by the Company	As per period specified in the agreement, else 5 years
9	Expenditure incurred on Jetty	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
10	Servers and Networks	3 Years
11	Software	3 Years
12	Spares which are capitalised	Allocated on Systematic basis over the useful life of related fixed assets
13	Assets individually costing less than or equal to ₹ 10,000	In the year of purchase

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

**(ix) Impairment of Assets:**

The carrying amount of assets are reviewed at each balance sheet date, if there is an indication of impairment based on internal and external factors.

An asset is treated as impaired when the carrying amount of the asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an assets net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The discounting rate is a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is an indication that impairment loss recognised for the asset no longer exists or has decreased.

**(x) Investments:**

a) **Presentation & disclosure**

Investments which are readily realisable, and are intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments / non-current investments.

b) **Recognition & measurement**

Long-term investments are stated at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment.

The carrying cost of long-term investment in subsidiary having mining rights for the mineral resources is determined net-off amortization pertaining to the minerals extracted from the mines, calculated in proportion to the quantity extracted during the period out of the total estimated mineral reserve size. The total estimated reserve size is reviewed at each balance sheet date, on the basis of technical estimates.

Current investments, except current maturities of Long- term investments, are stated at lower of cost and fair value determined for each category of investments.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of

## Notes to Financial Statements

Profit and Loss.

c) **Disposal**

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the Statement of profit and loss.

(xi) **Foreign Currency Transactions:**

- a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates.
- b) In respect of forward exchange contracts, premium or discount, being the difference between the forward exchange rate and the exchange rate at the inception of contract is recognised as expense or income over the life of the contract.
- c) Exchange difference including premium or discount on forward exchange contracts, relating to borrowed funds, liabilities and commitments in foreign currency for acquisition of fixed assets, arising till the assets are ready for their intended use, are adjusted to cost of fixed assets. Any other exchange difference either on settlement or translation is recognised in the Statement of Profit and Loss.
- d) Investment in equity capital of overseas companies registered outside India are carried in the Balance Sheet at the rates at which transactions have been executed.

(xii) **Derivatives:**

Derivative instruments are used to hedge risk associated with foreign currency fluctuations, interest rates and commodity prices. The derivative contracts are closely linked with underlying transactions and are intended to be held till maturity. The Company does not enter into any derivative contracts for speculations or trading purposes.

The Company has adopted AS 30 – “Financial Instrument – Recognition and Measurement”, to the extent that adoption did not conflict with existing accounting standards and other regulatory requirements. Accordingly the Company tests each contracts which are entered on the basis of highly probable forecast transactions and decided whether to designate as an effective hedge.

To designate a forward contract as an effective hedge, the management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk.

The gain or losses on designated hedging contract that qualify as an effective hedge is recorded in the hedging reserve account until the transactions are complete. Upon completion or cessation of hedging relationship as an effective, net cumulative gain / losses are transferred to Statement of Profit & Loss.

The gain or losses on the contracts which do not qualify for hedge accounting or considered as ineffective hedge transactions are charged to Statement of Profit & Loss.

(xiii) **Inventories:**

Inventories are valued as follows:

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

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

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

Valued at lower of cost and NRV. Finished goods and WIP cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost of

# Notes to Financial Statements

finished goods includes excise duty. Cost of inventories is computed on weighted average basis.

c) **Waste / Scrap:**

Waste / Scrap inventory is valued at NRV.

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

(xiv) **Employee Benefits:**

a) **Short term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

b) **Defined Contribution Plan**

Contributions payable to recognised provident fund, approved superannuation scheme and national pension scheme, which are substantially defined contribution plans, are recognised as expense in the Statement of Profit and Loss, as they are incurred.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

c) **Defined Benefit Plan**

The obligation in respect of defined benefit plans, which cover Gratuity, Pension and Post-retirement medical benefits, are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Gratuity is funded with an approved fund. Actuarial gains / losses, if any, are recognised immediately in the Statement of Profit and Loss.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

d) **Other Long Term Benefits**

The Company provides for encashment of leave or leave with pay subject to certain rules. Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

e) Presentation of Non-funded obligation of defined benefit plans and other long term benefits, as long term and short term liability is on the basis of actuary's report.

(xv) **Employee Share based payments:**

The Company follows intrinsic value method for valuation of Employee Stock Option in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 {erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999} and the Guidance Note on Accounting for Employee Share based payments, issued by the Institute of Chartered Accountants of India. The excess of market price of shares at the time of grant of options, over the exercise price to be paid by the option holder is considered as employee compensation expense and is amortised in the Statement of Profit and Loss over the period of vesting, adjusting for the actual and expected vesting.

(xvi) **Income Taxes:**

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

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

## Notes to Financial Statements

Deferred Tax reflects the impact of timing difference between accounting income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation and items relating to capital losses which is recognised based on virtual certainty, supported by continuing evidence that there will be sufficient future taxable income available to realise the asset.

### **Minimum Alternate Tax (MAT):**

MAT under the provisions of Income tax Act, 1961, where applicable, is recognised as current tax in the statement of Profit and Loss. The credit available under the Income Tax Act, 1961 is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

### **(xvii) Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- a) Sales are recognised on transfer of significant risks and rewards of ownership of the goods to the buyer. Sales are disclosed net of Sales Tax, Value added tax (VAT), trade discounts, rebates and returns but include excise duty. Sales exclude self-consumption of finished goods.
- b) Income from services is recognised (net of service tax as applicable) as they are rendered, based on agreement / arrangement with the concerned parties.
- c) Dividend income is accounted for when the right to receive the income is established and known by the Balance Sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Premium or Discount on Investment Instruments is amortised over the holding period till maturity. Income other than dividend, interest & premium or discount on Investments are recognised on maturity or sale.
- d) Export incentives, insurance, railway and other claims/receipts, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

### **(xviii) Mines Restoration Expenditure:**

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

### **(xix) Government Grants and Subsidies:**

- a) Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached thereto and that the grants will be received.
- b) Capital Government Grants or Subsidies relating to specific fixed assets are deducted from the gross value of the respective fixed assets and other capital grants are credited to Capital Reserve.
- c) Other Government Grants or Subsidies relating to an expense item are recognised as income over the period to match them on a systematic basis to the costs or deducted from related expenses.

### **(xx) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognised when there is a present obligation as a result of past events that can be estimated reliably and it

# Notes to Financial Statements

is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

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

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

Contingent Liabilities are not recognised but are disclosed and Contingent Assets are neither recognised nor disclosed, in the financial statements.

**(xxi) Earnings Per Share:**

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

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

**(xxii) Segment Reporting:**

a) **Identification of Segments:**

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

b) **Segment Policies:**

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

**(xxiii) Research and development expenditure:**

Revenue expenditure pertaining to research is expensed as incurred. Capital expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

**(xxiv) Operating lease:**

Leases where significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

## Notes to Financial Statements

### NOTE 2: SHARE CAPITAL

₹ in Crores

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	280,000,000	280.00	280,000,000	280.00
<b>Issued, Subscribed and Fully Paid-up</b>				
Equity Shares of ₹ 10 each fully paid-up	274,431,377	274.43	274,404,627	274.40

- (a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year

Outstanding at the beginning of the year	274,404,627	274.40	274,241,387	274.24
Add: Shares issued under Employees Stock Options Scheme (ESOS)	26,750	0.03	21,597	0.02
Add: Shares issued to the shareholders of Jaypee Cement Corporation Limited (JCCL) pursuant to the Scheme of Arrangement	-	-	1,41,643	0.14
<b>Outstanding at the end of the year</b>	<b>274,431,377</b>	<b>274.43</b>	<b>274,404,627</b>	<b>274.40</b>

- (b) Shares held by Holding Company

Grasim Industries Limited	165,335,150	165.34	165,335,150	165.34
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- (c) List of shareholders holding more than 5% of Paid-up Equity Share Capital

	No. of Shares	% Holding	No. of Shares	% Holding
Grasim Industries Limited	165,335,150	60.25%	165,335,150	60.25%

- (d) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of JCCL, pursuant to the Scheme of Arrangement	141,643	0.14	141,643	0.14
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- (e) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. 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 equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

# Notes to Financial Statements

## NOTE 3: RESERVES AND SURPLUS

As at March 31, 2016

Particulars	Capital Reserve	Hedging Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Outstanding Account #	Surplus as per Statement of Profit and Loss	₹ in Crores Total
Opening Balance	142.91	(5.60)	293.50	14,930.41	22.12	8.65	3,191.29	18,583.28
Additions during the year	-	-	170.83	1,500.00	3.31*	4.72	2,174.65	3,853.51
Deductions during the year	-	5.60	(127.25)	-	-	-	(1,543.58)	(1,665.23)
Proposed dividend (including Corporate Dividend Tax)	-	-	-	-	-	-	(309.90)	(309.90)
Closing Balance	142.91	-	337.08	16,430.41	25.43	13.37	3,512.46	20,461.66

As at March 31, 2015

Particulars	Capital Reserve	Hedging Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Outstanding Account #	Surplus as per Statement of Profit and Loss	₹ in Crores Total
Opening Balance	25.32	-	77.25	13,680.41	19.94	4.39	3,015.96	16,823.27
Additions during the year	117.59 <sup>1</sup>	-	262.50	1,250.00	2.18*	4.26	2,014.73	3,651.26
Deductions during the year	-	(5.60)	(46.25)	-	-	-	(1,542.16) <sup>§</sup>	(1,594.01)
Proposed dividend (including Corporate Dividend Tax)	-	-	-	-	-	-	(297.24)	(297.24)
Closing Balance	142.91	(5.60)	293.50	14,930.41	22.12	8.65	3,191.29	18,583.28

# Net of Deferred Employees Compensation Expenses ₹ 6.50 Crores (Previous Year ₹ 10.39 Crores).

\* On account of Employees Stock Options exercised during the year.

\$ Includes ₹ 75.78 Crores on account of change in depreciation rate as per Companies Act, 2013 (net of Deferred tax of ₹ 40.10 Crores) and ₹ 0.13 Crore on account of dividend paid on Shares allotted under ESOS as on record date of payment of dividend.

<sup>1</sup> Adjustment on account of acquisition of JCCL Gujarat units, pursuant to Scheme of Arrangement. The scheme became effective on June 12, 2014. As at the effective date the financials of the demerged units, considered for passing accounting entries, reflected a debit balance in the Statement of Profit and Loss of ₹ 1,072.53 Crores.

### Note 3.1

The Board of Directors has recommended a dividend of ₹ 9.50 per share for the year ended March 31, 2016 (Previous year ₹ 9 per share). Total Cash outflows on account of dividend ₹ 260.71 Crores (Previous Year ₹ 246.96 Crores) and on account of Corporate Dividend Tax ₹ 53.07 Crores (Previous Year ₹ 50.28 Crores).

## Notes to Financial Statements

### NOTE 4: LONG-TERM BORROWINGS

₹ in Crores

Particulars	Long-Term		Current Maturities of Long-Term debts *	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
<b>Secured:</b>				
Non-Convertible Debentures - Note (a)	650.00	1,265.00	1,015.00	9.00
Term Loans from Banks:				
In Foreign Currency - Note (b1)	623.77	1,147.38	768.11	188.56
In Local Currency - Note (c)	400.00	375.00	275.00	75.00
	1,023.77	1,522.38	1,043.11	263.56
Sales Tax Deferment Loan - Note (d1)	22.83	25.83	9.70	5.10
	1,696.60	2,813.21	2,067.81	277.66
<b>Unsecured:</b>				
Term Loans from Banks - In Foreign Currency - Note (b2)	550.42	1,526.66	731.74	582.45
Sales Tax Deferment Loan - Note (d2)	243.82	273.88	31.21	42.24
	794.24	1,800.54	762.95	624.69
<b>Total</b>	<b>2,490.84</b>	<b>4,613.75</b>	<b>2,830.76</b>	<b>902.35</b>

\* Amount disclosed under the head ' Other Current Liabilities' (Note 10)

Particulars	As at March 31, 2016	As at March 31, 2015
<b>(a) Non - Convertible Debentures (NCDs)</b>		
7.85% NCDs (Redeemable at par on December 18, 2018)	200.00	-
7.84% NCDs (Redeemable at par on April 09, 2018)	200.00	-
9.15% NCDs (Redeemable at par on August 28, 2017)	250.00	250.00
8.05% NCDs (Redeemable at par on January 27, 2017)	250.00	250.00
8.80% NCDs (Redeemable at par on September 30, 2016)	250.00	250.00
8.90% NCDs (Redeemable at par on August 8, 2016)	500.00	500.00
8.01% NCDs (Redeemable at par on July 14, 2016, Put and Call Option to both parties on July 14, 2014)	15.00	15.00
8.80% NCDs (Redeemable at par on December 30, 2015)	-	9.00
	1,665.00	1,274.00
Less: Current Portion of NCDs shown under Other Current Liabilities	(1,015.00)	(9.00)
<b>Total</b>	<b>650.00</b>	<b>1,265.00</b>

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

# Notes to Financial Statements

## NOTE 4 LONG-TERM BORROWINGS (contd.)

Particulars	Repayment Schedule	As at March 31, 2016	₹ in Crores As at March 31, 2015
<b>(b1) Term Loans from Banks in Foreign Currency</b>			
<b>Secured:</b>			
International Finance Corporation, Washington (US Dollar 4.64 Crores; Previous Year: 5.00 Crores)	In 14 semi annual installments beginning December 2015	301.60	324.80
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar 4.00 Crores; Previous Year: 4.00 Crores)	February 2019	246.32	246.32
J P Morgan Chase Bank N.A., Singapore* (US Dollar 5.00 Crores; Previous Year: Nil)	3 equal annual installment beginning November 2015	244.50	-
DBS Bank Ltd., Singapore (Japanese Yen 240.00 Crores; Previous Year: 240.00 Crores)	March 2017	145.22	145.22
BNP Paribas, Singapore (Japanese Yen 130.00 Crores; Previous Year: 130.00 Crores)	March 2017	78.53	78.53
Credit Agricole Corporate & Investment Bank, Singapore (Japanese Yen 176.64 Crores; Previous Year: 176.64 Crores)	December 2016	113.52	113.52
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar 0.78 Crore; Previous Year: 0.78 Crore)	October 2016	38.19	38.19
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar 5.00 Crores; Previous Year: 5.00 Crores)	May 2016	224.00	224.00
Cooperative Central Raiffeisen- Boerenleen bank B.A. (Trading as Rabo International, Singapore, Japanese Yen - Nil ; Previous Year: 90.00 Crores)	In 3 equal annual installments beginning March 2014	-	54.06
J P Morgan Chase Bank NA, Singapore (US Dollar - Nil; Previous Year: 2.00 Crores)	December 2015	-	111.30
		1,391.88	1,335.94
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(768.11)	(188.56)
<b>Total</b>		<b>623.77</b>	<b>1,147.38</b>

The foreign currency loans are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders/ trustees.

\* Loan has been re-financed. In the previous year same was in Unsecured Loan from Sumitomo Mitsui Banking Corporation, Singapore.

## Notes to Financial Statements

### NOTE 4 LONG-TERM BORROWINGS (contd.)

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2016	As at March 31, 2015
<b>(b2) Term Loans from Banks in Foreign Currency</b>			
<b>Unsecured:</b>			
Mizuho Bank,Ltd Singapore * (US Dollar 5.00 Crores; Previous Year: 5.00 Crores)	December 2017	273.25	273.25
Bank of America NA, Taiwan (US Dollar 7.50 Crores; Previous Year: 7.50 Crores)	3 equal annual installments beginning October 2016	415.76	415.76
Mizuho Bank,Ltd Singapore * (US Dollar 7.50 Crores; Previous Year: 7.50 Crores)	October 2016	369.15	369.15
Mizuho Bank,Ltd Singapore * (US Dollar 5.00 Crores; Previous Year: 5.00 Crores)	May 2016	224.00	224.00
Mizuho Bank,Ltd Singapore * (Japanese Yen - Nil; Previous Year: 170.00 Crores)	March 2016	-	100.71
Mizuho Bank,Ltd Singapore * (Japanese Yen - Nil; Previous Year: 180.00 Crores)	March 2016	-	122.48
Sumitomo Mitsui Banking Corporation and Bank of Nova Scotia, Singapore (Japanese Yen - Nil; Previous Year: 400.00 Crores)	March 2016	-	237.01
Sumitomo Mitsui Banking Corporation, Singapore** (US Dollar - Nil; Previous Year: 7.50 Crores)	3 equal annual installment beginning November 2015	-	366.75
		1,282.16	2,109.11
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(731.74)	(582.45)
<b>Total</b>		<b>550.42</b>	<b>1,526.66</b>

\* Mizuho Bank, Ltd was formerly known as Mizuho Corporate Bank, Ltd

\*\* Loan has been re-financed. In the previous year same was in Unsecured Loan from Sumitomo Mitsui Banking Corporation, Singapore.

# Notes to Financial Statements

## NOTE 4: LONG-TERM BORROWINGS (contd.)

Particulars	Repayment Schedule	₹ in Crores	
		As at March 31, 2016	As at March 31, 2015
(c) Term Loans from Banks in Local Currency - Secured:			
State Bank of India	In 4 installments beginning: May 2022 (25%), November 2022 (25%) May 2023 (25%) and November 2023 (25%)	300.00	-
HDFC Bank Ltd.	In 3 annual installments beginning: December 2015 (30%), December 2016 (30%) and December 2017 (40%)	175.00	250.00
Axis Bank Ltd.	January 2017	200.00	200.00
		675.00	450.00
Less: Current Portion of Term Loans shown under Other Current Liabilities		(275.00)	(75.00)
<b>Total</b>		<b>400.00</b>	<b>375.00</b>

Rupee Term loans from banks are secured by way of first charge, having pari passu rights, on movable and immovable assets (save and except stocks and book debts), both present and future, situated at one of the Company's location.

(d1) Sales Tax Deferment Loan:			
Secured:			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2015 to February 2021	32.53	30.93
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		(9.70)	(5.10)
<b>Total</b>		<b>22.83</b>	<b>25.83</b>

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

(d2) Sales Tax Deferment Loan:			
Unsecured:			
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	260.00	275.99
Commercial Tax Department, Chhattisgarh	Payable in FY17	0.11	0.11
Commercial Tax Department, Chhattisgarh	Varied Annual payments from April 2012 to April 2016	14.92	40.02
		275.03	316.12
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		(31.21)	(42.24)
<b>Total</b>		<b>243.82</b>	<b>273.88</b>

## Notes to Financial Statements

### Note 5: DEFERRED TAX LIABILITIES (Net)

₹ in Crores

Particulars	Deferred Tax (Assets) / Liabilities as at March 31, 2016	Deferred Tax (Assets) / Liabilities as at March 31, 2015
<b>Deferred Tax Assets:</b>		
Provision allowed under tax on payment basis	(157.11)	(129.79)
Others	(77.36)	(69.99)
Unabsorbed depreciation / losses	(81.41)	(153.43)
	(315.88)	(353.21)
<b>Deferred Tax Liabilities:</b>		
Depreciation and Amortisation differences	3,543.25	3,145.22
	3,543.25	3,145.22
<b>Net Deferred Tax Liability</b>	<b>3,227.37</b>	<b>2,792.01</b>

Deferred Tax benefits are recognised on assets to the extent that it is more likely than not, future taxable profit will be available against which the asset can be utilised.

### Note 6: OTHER LONG-TERM LIABILITIES

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables (other than Micro and Small Enterprises; refer Note 9.1)	7.98	1.34

### NOTE 7: PROVISIONS

Particulars	Long-Term		Short Term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
For Employee Benefits	168.87	154.30	23.69	19.79
For Mines Restoration Expenditure	11.90	9.06	-	-
For Cost of Assets transferred	-	-	138.17	138.17
For Tax (net of Advance Tax)	-	-	470.26	684.45
For Proposed Dividend	-	-	260.71	246.96
For Corporate Dividend Tax	-	-	53.07	50.28
	180.77	163.36	945.90	1,139.65

#### Note 7.1

Movement of provisions during the year as required by Accounting Standard - 29 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Mines Restoration Expenditure:		
Opening Balance	9.06	6.77
Add: Provision during the year	2.84	2.29
Closing Balance	11.90	9.06
(b) Provision for Cost of Transfer of Assets:		
Opening Balance	138.17	162.82
Add: Provision during the year	-	25.50
Less: Utilisation during the year	-	(50.15)
Closing Balance	138.17	138.17

# Notes to Financial Statements

## NOTE 8: SHORT-TERM BORROWINGS

Particulars	As at March 31, 2016	₹ in Crores As at March 31, 2015
<b>Secured:</b>		
Loans repayable on demand:		
From Banks - Cash Credits / Working Capital Borrowings	246.13	143.32
(Secured by Hypothecation of Stocks and Book Debts of the Company)		
<b>Unsecured:</b>		
From Banks	605.64	1,244.14
From Others	1,487.30	10.62
8.70% NCD (Redeemed at par on November 10, 2015)	-	500.00
	<b>2,092.94</b>	1,754.76
	<b>2,339.07</b>	1,898.08

## NOTE 9: TRADE PAYABLES

Due to Micro and Small enterprises (To the extent identified with available information)	1.15	1.04
Due to Others	1,612.42	1,552.43
	<b>1,613.57</b>	1,553.47

### Note 9.1

There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

## NOTE 10: OTHER CURRENT LIABILITIES

Current maturities of long-term debts (Refer Note 4)	2,830.76	902.35
Interest Accrued but not due on Borrowings	113.47	128.63
Investor Education and Protection fund, will be credited with following amounts (as and when due)		
Unpaid Dividends	6.57	5.79
Due to Related Parties	6.17	-
Liability for Capital Goods	190.40	242.92
Others (including Security and other Deposits, Advances from Customers, Provision for Expenses etc.)	3,163.12	2,915.92
	<b>6,310.49</b>	4,195.61

## Notes to Financial Statements

### NOTE 11: FIXED ASSETS

₹ in Crores

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2015	Additions	Deductions/Adjustments	As at March 31, 2016	As at April 01, 2015	For the year	Deductions/Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2016
(A) Tangible Assets										
Land:										
Freehold Land	2,934.44	268.75	1.73	3,201.46	-	-	-	-	-	3,201.46
Leasehold Land	255.05	91.38	0.27	346.16	54.38	11.01	0.25	65.14	281.02	
Buildings	2,687.57	427.62	11.00	3,104.19	724.84	139.38	9.29	854.93	2,249.26	
Railway Sidings	536.05	120.37	-	656.42	257.79	26.43	-	284.22	372.20	
Plant and Equipment										
Own	24,586.41	1,766.60	236.15	26,116.86	9,343.63	961.98	114.19	10,191.42	15,925.44	
Given on Lease	55.42	25.26	(92.57)	173.25	52.65	7.52	(13.00)	73.17	100.08	
Office Equipment	234.73	34.27	7.65	261.35	170.68	29.84	7.33	193.19	68.16	
Furniture and Fixtures	135.39	14.55	1.88	148.06	99.03	13.17	1.03	111.17	36.89	
Jetty	221.66	53.40	-	275.06	93.88	11.05	-	104.93	170.13	
Vehicles	66.92	12.43	8.57	70.78	38.10	9.36	6.75	40.71	30.07	
Total Tangible Assets	31,713.64	2,814.63	174.68	34,353.59	10,834.98	1,209.74	125.84	11,918.88	22,434.71	
(B) Intangible Assets										
Software	90.11	19.26	0.33	109.04	70.16	18.11	0.33	87.94	21.10	
Mining Rights	70.39	33.87	-	104.26	21.54	5.82	-	27.36	76.90	
Total Intangible Assets	160.50	53.13	0.33	213.30	91.70	23.93	0.33	115.30	98.00	
Total Assets (A+B)	31,874.14	2,867.76	175.01	34,566.89	10,926.68	1,233.67	126.17	12,034.18	22,532.71	

Particulars	Gross Block					Depreciation and Amortisation					Net Block	
	As at April 01, 2014	Transferred on acquisition	Additions	Deductions/Adjustments	As at March 31, 2015	As at April 01, 2014	Transferred on acquisition	For the year	Deductions/Adjustments	As at March 31, 2015	As at March 31, 2015	
(A) Tangible Assets												
Land												
Freehold Land	1,900.55	608.76	425.40	0.27	2,934.44	-	-	-	-	-	-	2,934.44
Leasehold Land	134.59	6.68	75.45	(38.33)	255.05	45.42	0.16	8.80	-	54.38	200.67	
Buildings	1,961.38	446.39	284.08	4.28	2,687.57	437.94	63.68	223.70	0.48	724.84	1,962.73	
Railway Sidings	491.95	0.78	43.32	-	536.05	192.89	0.05	64.85	-	257.79	278.26	
Plant and Equipment												
Own	19,900.24	2,900.12	1,888.34	102.29	24,586.41	8,075.72	502.34	821.90	56.33	9,343.63	15,242.78	
Given on Lease	55.42	-	-	-	55.42	46.89	-	5.76	-	52.65	2.77	
Office Equipment	212.79	3.11	29.25	10.42	234.73	145.08	2.40	32.85	9.65	170.68	64.05	
Furniture and Fixtures	120.88	2.47	14.46	2.42	135.39	81.00	1.97	19.19	3.13	99.03	36.36	
Jetty	80.60	141.06	-	-	221.66	80.04	8.88	4.96	-	93.88	127.78	
Vehicles	54.99	8.13	10.29	6.49	66.92	27.49	4.51	11.14	5.04	38.10	28.82	
Total Tangible Assets	24,913.39	4,117.50	2,770.59	87.84	31,713.64	9,132.47	583.99	1,193.15	74.63	10,834.98	20,878.66	
(B) Intangible Assets												
Software	71.90	0.04	18.61	0.44	90.11	56.58	0.01	14.01	0.44	70.16	19.95	
Mining Rights	92.48	-	16.24	38.33	70.39	16.88	-	4.66	-	21.54	48.85	
Total Intangible Assets	164.38	0.04	34.85	38.77	160.50	73.46	0.01	18.67	0.44	91.70	68.80	
Total Assets (A+B)	25,077.77	4,117.54	2,805.44	126.61	31,874.14	9,205.93	584.00	1,211.82	75.07	10,926.68	20,947.46	

# Notes to Financial Statements

## NOTE 11: FIXED ASSETS (contd.)

Particulars	₹ in Crores	
	Year ended March 31, 2016	Year ended March 31, 2015
A) Depreciation and Amortisation for the year	1,233.67	1,211.82
Add: Obsolescence	58.99	37.31
Add: Amortisation of Investment	-	2.36
Less: Depreciation transferred to Pre-operative Expenses	(3.63)	(2.50)
Less: Depreciation transferred to Surplus as per Statement of Profit and Loss	-	(115.88)
Depreciation as per Statement of Profit and Loss	1,289.03	1,133.11

- B) 1. Fixed Assets include assets costing ₹ 545.80 Crores (Previous Year ₹ 457.77 Crores) not owned by the Company.
2. Buildings include ₹ 16.07 Crores (Previous year ₹ 16.07 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.
3. Opening Gross Block includes Research and Development Assets (Building, Plant and Equipment, Furniture and Fixtures, Office Equipment and Intangible Assets) of ₹ 38.65 Crores (Previous year ₹ 32.35 Crores) and Net Block of ₹ 26.89 Crores (Previous year ₹ 25.55 Crores). Addition for the Research and Development Assets during the year is ₹ 4.17 Crores (Previous Year ₹ 6.30 Crores).
4. Immovable properties having Gross Block of ₹ 1280.81 Crores and Net Block of ₹ 1227.08 Crores is yet to be transferred in the name of the Company.
5. The Company has componentised its fixed assets and has separately assessed the life of the major components, forming part of the main asset. Consequently, the depreciation charge for the year is higher by ₹ 52.07 Crores (Previous year ₹ Nil)
6. Capital Work-in-progress includes:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Pre-operative expenses pending allocation:		
Raw Materials Consumed	2.21	2.90
Power and Fuel Consumed	2.99	10.98
Salary, Wages, Bonus, Ex-gratia and Provisions	36.77	31.71
Insurance	0.55	1.17
Exchange Loss / (Gain)	0.85	(0.89)
Depreciation	3.63	2.50
Finance Costs	18.35	45.74
Miscellaneous expenses	39.96	51.23
<b>Total Pre-operative expenses</b>	<b>105.31</b>	<b>145.34</b>
Less: Sale of Products / Other Income	(3.60)	(5.09)
Less: Trial Run production transferred to Inventory	(1.27)	(11.88)
Add: Brought forward from Previous Year	172.28	168.90
Less: Capitalised / Charged during the Year	(130.41)	(124.99)
<b>Balance included in Capital Work-in-Progress</b>	<b>142.31</b>	<b>172.28</b>

## Notes to Financial Statements

**NOTE 12: NON-CURRENT INVESTMENTS** Long term (valued at cost, unless stated otherwise)

₹ in Crores

Particulars	As at March 31, 2016		As at March 31, 2015	
	Nos.	Amount (₹ Crs)	Nos.	Amount (₹ Crs)
<b>Quoted - Other Investments:</b>				
Face value of ₹ 1,000 each				
National Highways Authority of India - Tax Free Bond Series 1 - 8.20% 2022	98,895	9.89	98,895	9.89
Power Finance Corporation Limited - Tax Free Bond Series 1 - 8.20% 2022	56,958	5.70	56,958	5.70
Indian Railway Finance Corporation Limited - Tax Free Bond Series 80 A - 8.10% 2027	108,754	10.87	108,754	10.87
Housing and Urban Development Corporation Limited - Tax Free Bond Series 2 - 8.20% 2027	500,000	50.00	500,000	50.00
Indian Railway Finance Corporation Limited - Tax Free Bond Series 103 - 7.28% 2030	151,000	15.10	-	-
National Highways Authority of India - Tax Free Bond Series 2A - 7.35% 2031	428,548	42.85	-	-
Indian Renewable Energy Development Agency Limited - Tax Free Bond Series 2A - 7.49% 2031	255,450	25.55	-	-
		159.96		76.46
Face value of ₹ 1,000,000 each				
Rural Electrification Corporation Limited - Tax Free Bond Series 3 B - 8.46% 2028	90	9.83	-	-
NTPC Limited - Tax Free Bond Series 55 A - 7.15% 2025	100	10.01	-	-
National Highways Authority of India - Tax Free Bond Series 2B - 7.28% 2030	100	10.00	-	-
Indian Renewable Energy Development Agency Limited - Tax Free Bond Series XIV-C - 7.17% 2025	100	10.00	-	-
Kotak Mahindra Prime Limited - Series 1 - Par Premium Bonds (XIRR 8.75%)	1,000	100.00	-	-
		139.84		-
		299.80		76.46
<b>Unquoted:</b>				
Trade Investments				
Equity Instruments:				
Subsidiaries:				
Face value of ₹ 10 each fully paid:				
Dakshin Cements Limited	50,000	0.05	50,000	0.05
Harish Cement Limited	247,025	153.78	246,000	152.98
Bhagwati Lime Stone Company Private Limited	11,900	13.03	11,900	13.03
Gotan Lime Stone Khanij Udyog Private Limited (Net of Amortisation)	2,315,780	184.48	2,315,780	184.48

## Notes to Financial Statements

NOTE 12: NON-CURRENT INVESTMENTS Long term (valued at cost, unless stated otherwise)(contd.)			₹ in Crores	
Particulars	As at March 31, 2016		As at March 31, 2015	
	Nos.	Amount (₹ Crs)	Nos.	Amount (₹ Crs)
<b>Face value of ₹ 10 each partly paid:</b>				
Gotan Lime Stone Khanij Udyog Private Limited	23,000	0.98	-	-
<b>Sri Lankan Rupee 10 each fully paid:</b>				
UltraTech Cement Lanka (Private) Limited	40,000,000	23.03	40,000,000	23.03
<b>UAE Dirham 10 each fully paid:</b>				
UltraTech Cement Middle East Investments Limited	23,518,468	311.53	23,518,468	311.53
<b>Indonesian Rupiah 8,923 each fully paid:</b>				
PT UltraTech Mining Indonesia	987,069	4.75	987,069	4.75
<b>Indonesian Rupiah 9,163 each fully paid:</b>				
PT UltraTech Investment Indonesia	1,900,000	11.46	1,900,000	11.46
		703.09		701.31
<b>Joint Ventures:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Madanpur (North) Coal Company (P) Limited	1,152,560	1.15	1,152,560	1.15
Bhaskarpura Coal Company Limited	8,141,050	8.14	8,141,050	8.14
		9.29		9.29
Less: Provision for diminution in value of Investment		1.87		1.87
		710.51		708.73
<b>Other Investments</b>				
<b>Equity Instruments:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Aditya Birla Ports Ltd	50,000	0.05	50,000	0.05
Raj Mahal Coal Mining Limited	1,000,000	1.00	1,000,000	1.00
<b>Preference Shares:</b>				
<b>4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid</b>				
Aditya Birla Health Services Limited	2,000,000	20.00	2,000,000	20.00
<b>Government or trust securities: ₹ Nil (Previous Year ₹ 32,000), Pledged as Security Deposit</b>	-	-	-	-
<b>Debt schemes of Various Mutual Funds</b>	2,038,199,777	2,049.15	1,844,945,047	1,879.53
		3,080.51		2,685.77
<b>Aggregate Book Value of:</b>				
Quoted Investments		299.80		76.46
Unquoted Investments		2,780.71		2,609.31
		3,080.51		2,685.77
<b>Aggregate Market Value of Quoted Investments</b>		308.35		81.57

## Notes to Financial Statements

### NOTE 13: LOANS AND ADVANCES

₹ in Crores

Particulars	Long-Term		Short Term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
<b>Secured, Considered good:</b>				
Loans against House Property (Secured by way of title deeds)	0.03	0.04	0.01	0.01
	0.03	0.04	0.01	0.01
<b>Unsecured, Considered good:</b>				
Capital Advances	396.19	610.76	-	-
Security Deposits	61.94	84.51	136.34	189.29
Balance with Government Authorities	170.23	179.59	372.60	355.02
Advances recoverable in cash or in kind or for value to be received	8.92	9.29	546.35	562.72
Advance Tax (net of Provisions)	92.25	94.78	-	-
MAT Credit Entitlement	888.28	711.42	-	-
Loans and advances to related parties	-	-	2.84	3.09
	1,617.81	1,690.35	1,058.13	1,110.12
<b>Considered doubtful:</b>				
Advances recoverable in cash or in kind or for value to be received	-	-	10.44	-
Less: Provision for Doubtful Advances	-	-	(10.44)	-
	-	-	-	-
	1,617.84	1,690.39	1,058.14	1,110.13

#### Note 13.1

Disclosure as per Regulation 34 (3) and 53 (f) of the SEBI (Listing obligation and disclosure requirements) Regulations, 2015

##### (a) Loans and Advances given to Subsidiaries

Name of the Subsidiary Companies	Amount Outstanding		Maximum Balance Outstanding during the year ended		Investment by Subsidiary in Shares of the Company (no. of Shares)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Harish Cement Limited	-	-	-	152.88	-	-
Gotan Lime Stone Khanij Udyog Private Limited	-	-	-	24.22	-	-
Bhagwati Lime Stone Company Private Limited	-	-	-	2.08	-	-
PT UltraTech Mining Indonesia	-	-	-	1.35	-	-

(b) Payments made to employees by way of Loans and Advances in the nature of loan where no interest is charged or charged at a rate less than the rate prescribed under Section 186 of the Companies Act, 2013, as per the scheme / policy of the Company

Particulars	As at March 31, 2016	As at March 31, 2015
Outstanding balance	18.05	19.17
Maximum balance outstanding during the year	24.79	25.38

# Notes to Financial Statements

## NOTE 14: OTHER NON - CURRENT ASSETS

Particulars	₹ in Crores	
	As at March 31, 2016	As at March 31, 2015
Non-Current Bank Balance (Refer Note 18)	14.46	13.37
	14.46	13.37

## NOTE 15: CURRENT INVESTMENTS - OTHERS (At lower of cost and fair value)

Quoted:		
Investment in Government Securities	10.24	26.18
Unquoted:		
Units of Debt Schemes of Various Mutual Funds {No. of Units 1,149,942,671 (Previous year 1,716,016,317)}	2,017.37	2,496.80
	2,027.61	2,522.98
Aggregate Book Value of:		
Quoted Investments	10.24	26.18
Unquoted Investments	2,017.37	2,496.80
	2,027.61	2,522.98
Aggregate Market Value of Quoted Investments	10.36	26.18
Note 15.1		
Current Investments include current portion of Long-term investments as per Accounting Standard 13 - "Accounting for Investments" specified under Section 133 of the Companies Act, 2013	560.00	1,227.46

## NOTE 16: INVENTORIES (Valued at lower of Cost and net realisable value, unless otherwise stated)

Raw Materials {includes in transit ₹ 60.41 Crs, (Previous year ₹ 32.94 Crs)}	289.05	265.30
Work-in-progress	482.27	490.74
Finished Goods {includes in transit ₹ 17.90 Crs, (Previous year ₹ 7.45 Crs)}	341.97	314.53
Stock-in-trade	0.11	-
Stores & Spares {includes in transit ₹ 8.23 Crs, (Previous year ₹ 14.20 Crs)}	959.22	949.76
Fuel {includes in transit ₹ 34.05 Crs, (Previous year ₹ 254.70 Crs)}	298.52	679.27
Packing Materials	40.13	41.88
Scrap (valued at net realisable value)	14.82	9.93
	2,426.09	2,751.41

## Notes to Financial Statements

### NOTE 17: TRADE RECEIVABLES

Particulars	As at March 31, 2016	As at March 31, 2015	₹ in Crores
Outstanding for a period exceeding six months from the date they are due for payment			
Secured, Considered good	0.59	0.59	
Unsecured, Considered good	40.15	61.08	
Doubtful	20.43	2.00	
	61.17	63.67	
Less: Provision for doubtful receivables	20.43	2.00	
	40.74	61.67	
<b>Others:</b>			
Secured, Considered good	238.40	206.23	
Unsecured, Considered good	1,135.75	935.29	
	1,374.15	1,141.52	
	<b>1,414.89</b>	<b>1,203.19</b>	

### NOTE 18: CASH AND BANK BALANCES

Cash and Cash Equivalents			
Cash on hand	0.39	0.74	
Cheques on hand	50.77	37.29	
Balance with banks (Current Account) @	2,024.61	22.46	
	2,075.77	60.49	
<b>Other Bank Balances</b>			
Earmarked Balance with Bank for Unpaid Dividends	6.56	5.78	
Fixed Deposits with Banks *			
Maturity more than 3 months and upto 12 months #	152.87	134.30	
Maturity more than 12 months	14.46	13.37	
Less: Amount disclosed under other Non-Current Assets (Refer Note 14)	(14.46)	(13.37)	
	152.87	134.30	
	<b>2,235.20</b>	<b>200.57</b>	

@ ₹ 2,000.00 Crores (Previous year ₹ Nil) earmarked for specific purpose

\* ₹ 15.08 Crores, Lodged as Security with Government departments (Previous Year ₹ 147.67 Crores).

# ₹ 152.25 Crores for specific purpose (Previous Year ₹ Nil)

### NOTE 19: OTHER CURRENT ASSETS

Assets held for Disposal	14.45	4.24
Others (including Insurance Claim receivable, Accrued Interest, etc.)	14.62	11.75
	<b>29.07</b>	<b>15.99</b>

# Notes to Financial Statements

## NOTE 20: SALE OF PRODUCTS AND SERVICES (GROSS)

Particulars	Year ended March 31, 2016	₹ in Crores Year ended March 31, 2015
Sale of Products	26,505.03	25,233.48
Sale of Traded Products	534.33	455.02
Sale of Services	34.52	21.69
	<b>27,073.88</b>	<b>25,710.19</b>

## NOTE 21: OTHER OPERATING REVENUES

Scrap Sales	45.21	49.33
Lease Rent	0.51	0.57
Insurance Claim	31.02	18.51
Provision no longer required	4.96	3.37
Unclaimed Credit Balances written back	31.23	19.00
Fiscal Incentives {Refer Note 54 (a)}	135.86	168.38
Miscellaneous Income / Receipts	17.54	20.53
	<b>266.33</b>	<b>279.69</b>

## NOTE 22: OTHER INCOME

Interest Income on		
Government and Other Securities	10.97	6.78
Bank and Other Accounts	49.36	27.32
	<b>60.33</b>	<b>34.10</b>
Dividend Income on		
Current Investments - Mutual Fund	0.09	-
Long-Term Investment - From a Subsidiary Company	19.02	26.14
	<b>19.11</b>	<b>26.14</b>
Exchange Gain (net)	3.30	8.91
Profit on Sale of Current and Non-Current Investments (net)	145.81	299.49
Refund received from Electoral Trust	0.27	-
Others	6.34	3.14
	<b>235.16</b>	<b>371.78</b>

## NOTE 23: COST OF RAW MATERIALS CONSUMED

Opening Stock	265.30	321.50
Add: Stock transferred from JCCL, pursuant to Scheme of Arrangement	-	2.88
Purchase and Incidental Expenses	3,577.46	3,221.54
	<b>3,842.76</b>	<b>3,545.92</b>
Less: Closing Stock	289.05	265.30
	<b>3,553.71</b>	<b>3,280.62</b>

## Notes to Financial Statements

### NOTE 23: COST OF RAW MATERIALS CONSUMED (contd.)

#### Note 23.1 - Details of Raw Materials Consumed

Particulars	₹ in Crores	
	Year ended March 31, 2016	Year ended March 31, 2015
Limestone	1,020.83	885.54
Fly Ash	527.87	471.12
Gypsum	321.39	309.71
Aggregates	305.04	295.75
Sand	257.75	238.72
Others	1,120.83	1,079.78
	<b>3,553.71</b>	<b>3,280.62</b>

### NOTE 24: PURCHASES OF STOCK-IN-TRADE

Grey Cement	99.94	108.44
Others	339.74	281.08
	<b>439.68</b>	<b>389.52</b>

### NOTE 25: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Closing Inventories		
Work-in-progress	482.27	490.74
Finished Goods	342.08	314.53
	<b>824.35</b>	<b>805.27</b>
Opening Inventories		
Work-in-progress	490.74	349.40
Finished Goods	314.53	324.24
Add: Stock transferred from JCCL, pursuant to Scheme of Arrangement	-	11.64
	<b>805.27</b>	<b>685.28</b>
Increase in Inventories	(19.08)	(119.99)
Add: Decrease / (Increase) in Excise Duty on Inventories	5.50	(1.95)
Add: Stock Transfer from Pre-Operative Account	1.27	11.88
	<b>(12.31)</b>	<b>(110.06)</b>

### NOTE 26: EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	1,174.74	1,052.18
Contribution to Provident and Other Funds	82.08	89.37
Expenses on Employees Stock Options Scheme	5.38	4.89
Staff Welfare Expenses	79.32	71.85
	<b>1,341.52</b>	<b>1,218.29</b>

# Notes to Financial Statements

## NOTE 27: FREIGHT AND FORWARDING EXPENSE

Particulars	Year ended March 31, 2016	₹ in Crores Year ended March 31, 2015
On Finished Products	5,112.30	4,712.90
On Clinker Transfer	822.60	680.39
	<b>5,934.90</b>	<b>5,393.29</b>

## NOTE 28: OTHER EXPENSES

Consumption of Stores, Spare Parts and Components	651.12	622.60
Consumption of Packing Materials	719.02	734.61
Repairs to Plant and Machinery	338.76	289.90
Repairs to Buildings	53.91	56.31
Repairs Others	117.06	106.10
Insurance	54.01	45.82
Rent (including Lease Rent)	128.06	115.86
Rates and Taxes	123.98	129.46
Directors' Fees	0.36	0.31
Directors' Commission	21.15	21.15
Provision for Diminution in value of Investments	-	1.87
Contribution for Political Party (General Electoral Trust)	-	53.95
Advertisement	179.72	157.98
Discount, Sales Promotion and Other Selling Expenses	1,063.97	1,016.36
Miscellaneous Expenses	578.16	507.09
	<b>4,029.28</b>	<b>3,859.37</b>

## NOTE 29: FINANCE COSTS

Interest Expense:		
On Borrowings {Refer Note 54 (b)}	454.98	525.20
Others	65.89	63.35
	<b>520.87</b>	<b>588.55</b>
Other Borrowing Cost	2.77	4.64
Less: Finance Costs Capitalised	(18.35)	(45.74)
	<b>505.29</b>	<b>547.45</b>

## NOTE 30: DEPRECIATION AND AMORTISATION EXPENSE

Depreciation and Amortisation	1,230.04	1,095.80
Obsolescence	58.99	37.31
	<b>1,289.03</b>	<b>1,133.11</b>

## Notes to Financial Statements

### Note 31 (a): Contingent Liabilities not provided for in respect of:

Claims not acknowledged as debts in respect of matters in appeals	₹ in Crores	
	As at March 31, 2016	As at March 31, 2015
(a) Sales-tax / VAT Matters	316.46	305.87
(b) Excise Duty and Service Tax Matters	878.06	726.06
(c) Royalty on Limestone/ Marl / Shale	314.10	294.58
(d) Customs	125.69	121.61
(e) Others	514.33	325.61

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

### Note 31 (b):

The Company has issued corporate guarantees as under:

- I. In favour of the Bankers / Lenders on behalf of its following Subsidiaries and Joint Ventures (JV) for the purpose of replacing old loans, acquisition financing, working capital and other general corporate purposes:
  - ✓ Bhaskarpura Coal Company Limited (JV) ₹ 4.00 Crores (Previous year ₹ 4.00 Crores).
  - ✓ UltraTech Cement Middle East Investment Limited and its subsidiaries:
    - Equivalent to US\$ 250.63 Million (₹ 1,660.35 Crores) {Previous year US\$ 486.62 Million (₹ 3,041.26 Crores)}.

These Corporate Guarantees are issued in different currencies viz. US\$, UAE Dirham, Bangladesh Taka, Omani Rial, etc.

- II. In favour of the Government Authority on behalf of one of the Company's Units for an amount not exceeding ₹ 3.00 Crores (Previous year ₹ 3.00 Crores) towards exemption for payment of excise duty.
- III. In favour of the Bank, for assistance in arrangement of interest bearing loan of ₹ 500 Crores (Previous year ₹ 500 Crores) to Jaiprakash Associates Ltd. as per their request with approval of Board.

### Note 32: Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 700.26 Crores. (Previous Year ₹ 1,239.25 Crores).

### Note 33:

The Competition Commission of India ("CCI") had upheld the complaint of alleged cartelisation against certain manufacturing companies including the Company by its order dated June 20, 2012 and had imposed a penalty of ₹ 1,175.49 crores on the Company. The Company filed an appeal against the order before the Competition Appellate Tribunal ("COMPAT"). COMPAT granted stay on the CCI order on condition that the Company deposit 10% of the penalty, amounting to ₹ 117.55 crores, which has been deposited. COMPAT by its order dated December 11, 2015 set aside the aforementioned CCI order and remitted the matter to CCI for fresh adjudication of the issues and passing of fresh order. Further, COMPAT has allowed withdrawal of the amount deposited by the Company in compliance with the COMPAT interim order, which has since been refunded.

### Note 34:

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease within one month of receipt of the order and thereafter pass appropriate order in respect of the mining lease of GKUPL. Till such a decision is taken, status quo is to be maintained.

# Notes to Financial Statements

## Note 35:

The Supreme Court of India by its judgement dated August 25, 2014 read with its Order dated September 24, 2014 cancelled 204 coal blocks which had been allocated earlier for the purposes of mining coal for captive consumption. These include two coal blocks allotted to the Company jointly with others, viz. Bhaskarpura and Madanpur (North) in Chhattisgarh. No mining activity has commenced on these blocks and the cancellation will not have any material adverse impact on the Company.

As regards its investment in the cancelled coal blocks, the Company is likely to recover the majority of the amount from the new allottee, once the auction will be conducted for the above mines in terms of the ordinances promulgated by the Central Government.

## Note 36: "Acquisition of cement units of Jaiprakash Associates Limited in Madhya Pradesh"

The Board of Directors of the Company had approved acquisition of the cement units of Jaiprakash Associates Limited ("JAL") situated at Bela and Siddhi in Madhya Pradesh having cement capacity of 4.9 MTPA. The effectiveness of the Scheme was inter-alia subject to the sanction of the Hon'ble Bombay High Court ("high court"). During the course of hearing for sanction of the Scheme, the high court has indicated that based on the provisions of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 ("amended MMDR Act") only mining leases granted under an auction could be transferred. Since the mining leases which form part of the business to be transferred to the Company from JAL were allotted to JAL and not granted under an auction, the same could not, in terms of the amended MMDR Act, be transferred. Under the circumstances, the Company applied for withdrawal of the Scheme filed before the High Court which has been permitted.

## Note 37: "Acquisition of identified cement units of Jaiprakash Associates Limited"

The Board of Directors at its meeting on March 31, 2016 approved signing of definitive agreements for the acquisition of identified cement plants of Jaiprakash Associates Limited ("JAL") and its subsidiaries in the states of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh having cement capacity of 21.20 MTPA at an enterprise value of ₹ 15,900 Crores. The transaction is subject to necessary regulatory approval.

## Note 38: Derivative Instruments Outstanding

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

In Crores					
Particulars	Purpose	Currency	As at March 31, 2016	As at March 31, 2015	Cross Currency
a. Forward Contracts	Imports	USD	3.29	2.54	Rupees
	ECB*	USD	0.10	-	Rupees
	ECB*	JPY	-	30.00	USD
	EPC^	USD	1.45	-	Rupees
	Imports	Euro	1.27	0.21	USD
b. Other Derivatives:					
i. Currency & Interest Rate Swap (CIRS)	ECB*	USD	35.78	40.28	Rupees
	ECB*	JPY	546.64	816.64	Rupees
ii. Principal only Swap	ECB*	JPY	-	540.00	USD
	ECB*	USD	8.64	14.51	Rupees

(B) Derivatives for hedging South African Coal price risk (from floating price to fixed price), outstanding are as under:

In Crores

Particulars	Purpose	Quantity Hedged (Metric Tonne)	Currency	As at March 31, 2016	As at March 31, 2015
South African Coal Fixed Price Swaps	Hedging floating price risk	Nil (Previous Year: 400,000)	USD	-	2.36

## Notes to Financial Statements

### Note 38: Derivative Instruments Outstanding (contd.)

(C) Un-hedged Foreign Currency Exposure:

Particulars	Currency	As at		Cross Currency	In Crores
		March 31, 2016	As at March 31, 2015		USD
Net Import Payable	EURO	-	0.07		

\*ECB- External Commercial Borrowings

^ EPC- Export Packing Credit

### Note 39: Employee Benefits:

(A) Defined Benefit Plans as per Actuarial Valuation:

Particulars	As at March 31, 2016			As at March 31, 2015			₹ in Crores
	Gratuity (Funded)	Pension	Post- Retirement Medical Benefits	Gratuity (Funded)	Pension	Post- Retirement Medical Benefits	
(i) Change in defined benefit obligation							
Opening Balance of Present value of Defined Benefit Obligation	310.58	7.91	0.56	258.80	7.49	0.53	
Adjustment of:							
Current Service Cost	26.01	-	-	20.91	-	-	
Interest Cost	26.05	0.59	0.04	24.58	0.64	0.04	
Actuarial Losses	7.62	0.04	0.02	18.24	0.69	0.01	
Liability transferred from JCCL pursuant to Scheme of Arrangement	-	-	-	1.43	-	-	
Benefits Paid	(15.14)	(0.91)	(0.05)	(13.38)	(0.91)	(0.02)	
Closing Balance of Present value of Defined Benefit Obligation	355.12	7.63	0.57	310.58	7.91	0.56	
(ii) Change in Fair Value of Assets							
Opening Balance of Fair Value of Plan Assets	310.58	-	-	277.20	-	-	
Adjustment of:							
Expected Return on Plan Assets	24.57	-	-	21.69	-	-	
Actuarial Gain	5.10	-	-	3.62	-	-	
Contribution / Paid by the employer	30.01	0.91	0.05	20.02	0.91	0.02	
Assets transferred from JCCL pursuant to Scheme of Arrangement	-	-	-	1.43	-	-	
Benefits Paid	(15.14)	(0.91)	(0.05)	(13.38)	(0.91)	(0.02)	
Closing Balance of Fair Value of Plan Assets	355.12	-	-	310.58	-	-	
(iii) Net Asset / (Liability) recognised in the Balance Sheet							
Present value of Defined Benefit Obligation	(355.12)	(7.63)	(0.57)	(310.58)	(7.91)	(0.56)	
Fair Value of Plan Asset	355.12	-	-	310.58	-	-	
Net Asset / (Liability) in the Balance Sheet	-	(7.63)	(0.57)	-	(7.91)	(0.56)	

# Notes to Financial Statements

## Note 39: Employee Benefits: (contd.)

### (A) Defined Benefit Plans as per Actuarial Valuation:

₹ in Crores

Particulars	As at March 31, 2016			As at March 31, 2015		
	Gratuity (Funded)	Pension	Post- Retirement Medical Benefits	Gratuity (Funded)	Pension	Post- Retirement Medical Benefits
(iv) Expenses recognised in the Statement of Profit and Loss						
Current Service Cost	26.01	-	-	20.91	-	-
Interest Cost	26.05	0.59	0.04	24.58	0.64	0.04
Expected Return on Plan Assets	(24.57)	-	-	(21.69)	-	-
Actuarial Losses	2.52	0.04	0.02	14.62	0.69	0.01
<b>Total Expense</b>	<b>30.01</b>	<b>0.63</b>	<b>0.06</b>	<b>38.42</b>	<b>1.33</b>	<b>0.05</b>
Less: Transferred to Pre-operative Expenses	(0.23)	-	-	(0.28)	-	-
<b>Total expenses charged to the Statement of Profit and Loss</b>	<b>29.78</b>	<b>0.63</b>	<b>0.06</b>	<b>38.14</b>	<b>1.33</b>	<b>0.05</b>
(v) The major categories of plan assets as a percentage of total plan						
Insurer Managed Funds	100%	N.A.	N.A.	100%	N.A.	N.A.
<b>Total</b>	<b>100%</b>	<b>N.A.</b>	<b>N.A.</b>	<b>100%</b>	<b>N.A.</b>	<b>N.A.</b>
(vi) Actuarial Assumptions:						
Discount Rate (p.a.)	8.15%	8.15%/ 8.06%	8.15%	8.00%	8.00%	8.00%
Expected Return on Plan Assets (p.a.)	8.00%	-	-	8.00%	-	-
Turnover Rate	1%-2%	-	-	1%-2%	-	-
Mortality tables	Indian Assured Lives Mortality (2006-08)	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably	Indian Assured Lives Mortality (2006-08)	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably
Salary Escalation Rate (p.a.)	8.00%	-	-	8.00%	-	-
Retirement age :						
Management -	60 Yrs	-	-	60 Yrs	-	-
Non-Management-	58 Yrs	-	-	58 Yrs	-	-
Leaving Service:						
Age : 21-44	2%	-	-	2%	-	-
Age: 45 & above	1%	-	-	1%	-	-

### (vii) Basis used to determine Expected Rate of Return on Plan Assets:

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

### (viii) Salary Escalation Rate:

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

## Notes to Financial Statements

### Note 39: Employee Benefits: (contd.)

#### (ix) Experience Adjustments:

##### (a) Gratuity (Funded):

Particulars	2011-12	2012-13	2013-14	2014-15	₹ in Crores 2015-16
Defined Benefit Obligation	207.06	247.23	258.80	310.58	355.12
Fair Value of Plan Assets	207.05	245.94	277.20	310.58	355.12
Surplus/(Deficit)	(0.01)	(1.29)	18.40	-	-
Experience Adjustments on Plan Liabilities	10.49	3.60	(0.86)	(2.03)	13.14
Experience Adjustments on Plan Assets	2.70	3.63	5.37	3.62	5.10

##### (b) Pension Liabilities:

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Defined Benefit Obligation	8.12	8.15	7.49	7.91	7.63
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(8.12)	(8.15)	(7.49)	(7.91)	(7.63)
Experience Adjustments on Plan Liabilities	0.09	0.28	0.21	₹ 48,835	0.16

##### (c) Post-Retirement Medical Scheme Liabilities:

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Defined Benefit Obligation	0.56	0.58	0.53	0.56	0.57
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(0.56)	(0.58)	(0.53)	(0.56)	(0.57)
Experience Adjustments on Plan Liabilities	(0.01)	(₹ 4,810)	₹ 2,322	(0.04)	0.02

(x) The Company's expected contribution during next year is ₹ 21.06 Crores. (Previous Year ₹ 16.05 Crores)

#### (B) Defined Contribution Plans:

Amount recognised as an expense and included in Note 26 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 65.41 Crores (Previous Year ₹ 62.82 Crores).

(C) Amount recognised as an expense in respect of Compensated Absences is ₹ 29.37 Crores (Previous Year ₹ 33.96 Crores).

(D) Amount recognised as expense for other long term employee benefits is ₹ 0.67 Crore (Previous Year ₹ 0.55 Crore).

### Note 40: Segment Reporting:

The Company is exclusively engaged in the business of cement and cement related products. As per AS 17 "Segment Reporting", specified under Section 133 of the Companies Act, 2013, there are no reportable business and geographical segment applicable to the Company.

## Notes to Financial Statements

**Note 41: Disclosure of related parties / related party transactions** (As per AS-18 "Related party Disclosures" specified under Section 133 of the Companies Act, 2013):

(A) Parties where control exists:

Parties	Relationship
Grasim Industries Limited	Holding Company
Dakshin Cements Limited	Wholly Owned Subsidiary
Harish Cement Limited	Wholly Owned Subsidiary
UltraTech Cement Middle East Investments Limited (UCMEIL)	Wholly Owned Subsidiary
UltraTech Cement SA (PTY)	Wholly Owned Subsidiary
Gotan Limestone Khanij Udyog Private Limited	Wholly Owned Subsidiary
Bhagwati Lime Stone Company Private Limited (BLSCPL)	Wholly Owned Subsidiary
UltraTech Cement Lanka Private Limited	Subsidiary
PT UltraTech Mining Indonesia	Subsidiary
PT UltraTech Investments Indonesia (PTUII)	Subsidiary
Star Cement Co. LLC, UAE	Subsidiary's Subsidiary – UCMEIL
Star Cement Co. LLC, RAK, Ras-Al-Khaimah, UAE	Subsidiary's Subsidiary – UCMEIL
Al Nakhla Crusher LLC, Fujairah, UAE	Subsidiary's Subsidiary – UCMEIL
Arabian Cement Industry LLC, Abu Dhabi	Subsidiary's Subsidiary – UCMEIL
Arabian Gulf Cement Co W.L.L., Bahrain	Subsidiary's Subsidiary – UCMEIL
Emirates Power Company Limited, Bangladesh	Subsidiary's Subsidiary – UCMEIL
Emirates Cement Bangladesh Limited, Bangladesh	Subsidiary's Subsidiary – UCMEIL
UltraTech Cement Mozambique Limitada	Subsidiary's Subsidiary – UCMEIL
PT UltraTech Cement Indonesia	Subsidiary's Subsidiary – PTUII
Awam Mineral LLC , Oman	Subsidiary's Subsidiary – UCMEIL
PT UltraTech Mining Sumatera	Subsidiary's Subsidiary – PTUII

(B) Other Related Parties with whom there were transactions during the year:

Parties	Relationship
Madanpur (North) Coal Company Private Limited	Joint Venture
Bhaskarpara Coal Company Limited	Joint Venture
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Grasim Bhiwani Textiles Limited	Fellow Subsidiary
Mr. O.P. Puranmalka, Managing Director (Till 31st March 2016)	Key Management Personnel (KMP)
Mrs. Sita Puranmalka (Till 31st March 2016)	Relative of KMP (Wife)

## Notes to Financial Statements

**Note 41: Disclosure of related parties / related party transactions** (As per AS-18 "Related party Disclosures" specified under Section 133 of the Companies Act, 2013): (contd.)

(a) Disclosure of related party transactions:

Nature of Transactions	Year ended March 31 , 2016	₹ in Crores Year ended March 31 , 2015
<b>Sale of Goods:</b>		
Grasim Industries Limited	5.42	7.83
UltraTech Cement Lanka Private Limited	252.57	229.32
Gotan Limestone Khanij Udyog Private Limited	-	0.01
Grasim Bhiwani Textiles Limited	0.07	0.07
<b>Total</b>	<b>258.06</b>	<b>237.23</b>
<b>Purchase of Goods:</b>		
Grasim Industries Limited	2.34	2.18
Grasim Bhiwani Textiles Limited	0.03	0.14
Gotan Limestone Khanij Udyog Private Limited	-	7.67
Awam Minerals LLC	14.20	-
<b>Total</b>	<b>16.57</b>	<b>9.99</b>
<b>Sale of Fixed Assets</b>		
Grasim Industries Limited	0.04	-
<b>Purchase of Fixed Assets</b>		
Grasim Industries Limited	0.03	-
<b>Receiving of Services:</b>		
Grasim Industries Limited	0.94	0.91
Samruddhi Swastik Trading & Investment Limited	0.48	0.47
UltraTech Cement Lanka Private Limited	3.88	18.76
Key Management Personnel	9.13	7.42
Relative of Key Management Personnel	0.23	0.21
<b>Total</b>	<b>14.66</b>	<b>27.77</b>
<b>Rendering of Services:</b>		
UltraTech Cement Lanka Private Limited	42.88	27.73
<b>Dividend received</b>		
UltraTech Cement Lanka Private Limited	19.02	26.14
<b>Dividend Paid</b>		
Grasim Industries Limited	148.80	148.80
<b>Interest Income</b>		
Harish Cement Limited	-	0.07
Bhagwati Lime Stone Company Private Limited	-	₹ 11,407
Gotan Limestone Khanij Udyog Private Limited	-	0.06
<b>Total</b>	<b>-</b>	<b>0.13</b>
<b>Loans and Advances Given:</b>		
Harish Cement Limited	-	1.34
Bhagwati Lime Stone Company Private Limited	-	0.02
Gotan Limestone Khanij Udyog Private Limited	-	3.72
<b>Total</b>	<b>-</b>	<b>5.08</b>
<b>Loans and Advances to subsidiaries adjusted against consideration for shares issued:</b>		
Harish Cement Limited	-	152.30
Bhagwati Lime Stone Company Private Limited	-	2.04
Gotan Limestone Khanij Udyog Private Limited	-	26.12
<b>Total</b>	<b>-</b>	<b>180.46</b>

# Notes to Financial Statements

**Note 41: Disclosure of related parties / related party transactions** (As per AS-18 "Related party Disclosures" specified under Section 133 of the Companies Act, 2013): (contd.)

**(a) Disclosure of related party transactions:**

Nature of Transactions	Year ended March 31 , 2016	₹ in Crores Year ended March 31 , 2015
<b>Investments</b>		
PT Mining Indonesia	-	1.34
Harish Cement Limited	0.80	152.88
Gotan Limestone Khanij Udyog Private Limited	0.98	26.84
Bhagwati Lime Stone Company Private Limited	-	2.08
<b>Total</b>	<b>1.78</b>	<b>183.14</b>
<b>Share Application Money Refund</b>		
Bhaskarpura Coal Company Limited	-	0.06
<b>Advance against Equity Refund</b>		
Madanpur North Coal Company Private Limited	0.05	-
<b>Corporate Guarantees on behalf of UltraTech Cement Middle East Investments Limited and its Subsidiaries</b>		
Given/ issued during the year	1,534.00	12.24
Released/ reduced during the year	3,078.68	247.07

**(b) Outstanding balances:**

Particulars	As at March 31 , 2016	As at March 31 , 2015
<b>Loans and Advances:</b>		
Grasim Industries Limited	-	0.18
Samruddhi Swastik Trading & Investment Limited	0.35	0.37
Madanpur (North) Coal Company Private Limited (against Equity)	-	0.05
Bhaskarpura Coal Co. Limited (against Equity)	2.49	2.49
<b>Total</b>	<b>2.84</b>	<b>3.09</b>
<b>Trade Receivables:</b>		
UltraTech Cement Lanka Private Limited	11.43	3.23
<b>Other Current Liabilities:</b>		
Grasim Industries Limited	0.01	-
Awam Minerals LLC	6.17	-
<b>Total</b>	<b>6.18</b>	<b>-</b>
<b>Deposit:</b>		
Relative of Key Management Personnel	0.98	0.98
<b>Corporate Guarantees:</b>		
Madanpur (North) Coal Company Private Limited	-	-
Bhaskarpura Coal Co. Limited	4.00	4.00
UltraTech Cement Middle East Investments Limited & its Subsidiaries	1,660.35	3,041.26
<b>Total</b>	<b>1,664.35</b>	<b>3,045.26</b>

## Notes to Financial Statements

### Note 42: Earnings per Share (EPS):

Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
<b>(A) Basic EPS:</b>		
(i) Net Profit attributable to Equity Shareholders	2,174.65	2,014.73
(ii) Weighted average number of Equity Shares outstanding (Nos.)	274,412,456	274,353,251
<b>Basic EPS (₹) (i)/(ii)</b>	<b>79.25</b>	<b>73.44</b>
<b>(B) Diluted EPS:</b>		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	274,412,456	274,353,251
(ii) Add: Potential Equity Shares on exercise of option (Nos.)	156,017	167,585
(iii) Weighted average number of Equity Shares Outstanding for calculation of Diluted EPS (i+ii)	274,568,473	274,520,836
<b>Diluted EPS (₹) {(A) (i) /(B) (iii)}</b>	<b>79.20</b>	<b>73.39</b>
<b>(C) Face value of Shares (₹)</b>	<b>10</b>	<b>10</b>

### Note 43:

Details of the Company's interest in its Joint Venture (JVs), having Joint Control, as per the requirement of Accounting Standard (AS) -27 on "Financial Reporting of Interests in Joint Ventures" specified under Section 133 of the Companies Act, 2013, are as under:

₹ in Crores

Sr. No.	Particulars	Madanpur (North) Coal Company Private Limited		Bhaskarpura Coal Company Limited	
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
		% Shares Held	11.17%	11.17%	47.37%
(a)	Assets	1.04	1.19	7.40	9.32
(b)	Liabilities	-	-	0.01	0.02
(c)	Income	0.01	-	0.02	-
(d)	Expenses	₹ 41,144	-	0.02	-
(e)	Other Matters – Contingent Liability	-	-	4.28	4.28

Both the Joint Ventures are incorporated in India.

### Note 44: Auditors' remuneration (excluding service tax) and expenses:

Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
<b>(a) Statutory Auditors:</b>		
Audit fees (including quarterly Limited Review)	2.37	2.48
Tax audit fees	0.15	0.13
Fees for other services	0.09	0.07
Expenses reimbursed	0.03	0.01
<b>(b) Branch Auditors:</b>		
Audit fees (including quarterly Limited Review)	-	0.09
<b>(c) Cost Auditors:</b>		
Audit fees	0.16	0.15
Fees for other services (₹ 25,000 Previous Year - ₹ 25,000)	-	-
Expenses reimbursed	0.01	-

# Notes to Financial Statements

## Note 45:

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

Particulars	Year ended March 31, 2016			Year ended March 31, 2015		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	83.09	59.62	142.71	81.31	55.33	136.64
Royalty and Cess	607.79	-	607.79	422.68	-	422.68

## Note 46:

The Company has granted 745,852 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

### A) Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Method of Accounting	Intrinsic Value	Intrinsic Value	Intrinsic Value			Intrinsic Value
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year			Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Grant Price (₹ per share)	606	794	655	709*	1,061*	974
Market Price on the date of Grant of Option (₹ per share)	853	794	994	-*	-*	1424
Discount on Average Price	30.00%	1.98%	30.00%	-	-	30.00%

\*Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Company.

### B) Employee Stock Option Scheme (ESOS 2013):

Particulars	Tranche I		Tranche II		Tranche III		Tranche IV	
	Restricted Stock Units (RSU)	Stock Options						
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280	9,059	25,645
Method of Accounting	Intrinsic Value							
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year	100% on 18.10.2017	Graded Vesting - 25% every year	100% on 28.01.2018	Graded Vesting - 25% every year	100% on 19.10.2018	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting							
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015	19.10.2015	19.10.2015
Grant Price (₹ per share)	10	1,965	10	2,318	10	3,122	10	2,955
Market Price on the date of Grant of Option (₹ per share)	1,965	1,965	2,318	2,318	3,122	3,122	2,955	2,955

## Notes to Financial Statements

### Note 46: (contd.)

#### C) Movement of Options Granted including RSU:

Particulars	As at March 31 , 2016	As at March 31 , 2015
Outstanding at the beginning of the year	324,869	388,462
Granted during the year	34,704	55,670
Exercised during the year	(26,750)	(21,597)
Forfeited during the year	(16,862)	(97,666)
Outstanding at the end of the year	315,961	324,869

The weighted average price at the date of exercise for options was ₹ 1938.53 per share.

#### D) Movement of Exercisable Options:

Particulars	As at March 31 , 2016	As at March 31 , 2015
Exercisable at the beginning of the year	40,911	49,105
Vested during the year	68,974	13,403
Exercised during the year	(26,750)	(21,597)
Vested Options Forfeited	(1)	-
Options exercisable at the end of the year	83,134	40,911

#### (e) Fair Valuation:

The fair value of options used to compute proforma net income and earnings per equity share have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

##### (a) For ESOS 2006:

- 1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
- 2. Option Life - Vesting period (1 Year) + Average of exercise period
- 3. Expected Volatility - Tranche-I: 0.49, Tranche-II: 0.52, Tranche-III: 0.30, Tranche-IV: 0.30, Tranche-V: 0.30, Tranche-VI: 0.25
- 4. Expected Growth in Dividend - 20%

##### (b) For ESOS 2013:

- 1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV)
- 2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU – Vesting period (3 Years) + Average of exercise period
- 3. Expected Volatility - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60
- 4. Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche IV: 5%

The weighted average fair value of the option, as on the date of grant for ESOS 2006 works out to be ₹ 476 per stock option and for ESOS 2013 works out to be ₹ 1158 per stock option.

# Notes to Financial Statements

## Note 46: (contd.)

Had the compensation cost for the stock options granted under above Schemed has been determined, based on fair-value approach, the Company's net profit and earnings per share would have been as per the proforma amounts indicated below:

Particulars	₹ In Crores	
	Year ended March 31 , 2016	Year ended March 31 , 2015
Net Profit	2,174.65	2,014.73
Add: Compensation Expenses under ESOS included in the Net Profit	5.38	4.89
Less: Compensation Expenses under ESOS as per Fair Value	(10.15)	(8.76)
<b>Net Profit (Fair value basis)</b>	<b>2,169.88</b>	<b>2,010.86</b>
Basic Earnings Per Share (Reported) – ₹ / Share	79.25	73.44
<b>Basic Earnings Per Share (Fair value basis) – ₹ / Share</b>	<b>79.07</b>	<b>73.29</b>
Diluted Earnings Per Share (Reported) – ₹ / Share	79.20	73.39
<b>Diluted Earnings Per Share (Fair value basis) – ₹ / Share</b>	<b>79.03</b>	<b>73.25</b>

## Note 47: Value of Imports (on CIF basis):

Particulars	Year ended March 31 , 2016		Year ended March 31 , 2015	
	Value ₹ in Crores	%	Value ₹ in Crores	%
(i) Raw materials	365.09		337.54	
(ii) Components and spare parts	128.37		140.59	
(iii) Fuel	763.72		1,519.77	
(iv) Capital goods	80.20		170.26	

## Note 48: Value of Imported and Indigenous Raw Materials, Components, Stores and Spares consumed:

Particulars	Year ended March 31, 2016		Year ended March 31, 2015	
	Value ₹ in Crores	%	Value ₹ in Crores	%
Raw materials:				
Imported	442.93	12.46	394.58	12.03
Indigenous	3,110.78	87.54	2,886.04	87.97
Total	3,553.71	100.00	3,280.62	100.00
Stores and spares:				
Imported	114.53	16.11	135.58	20.00
Indigenous	596.21	83.89	542.36	80.00
Total	710.74	100.00	677.94	100.00

## Note 49: Expenditure in Foreign Currency

Particulars	Year ended March 31 , 2016		Year ended March 31 , 2015	
	Value ₹ in Crores	%	Value ₹ in Crores	%
Freight / Dispatch / Demurrage	148.88		117.60	
Service Fees	1.69		1.00	
Interest	31.69		39.23	
Other Matters	12.94		13.61	

## Notes to Financial Statements

### Note 50: Earnings in Foreign Exchange:

Particulars	₹ In Crores	
	Year ended March 31 , 2016	Year ended March 31 , 2015
Export of goods {Including ₹ 287.15 Crores (Previous Year ₹ 286.46 Crores) on FOB basis}	302.78	301.38
Dividend	19.02	26.14
Other receipts	42.90	28.36

### Note 51: Dividends remitted in Foreign Currency to Non-Resident Shareholders:

#### (i) Remittance in foreign currency

Sr. No.	Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
1	Dividend for the year ended	31.03.2015	31.03.2014
2	Number of Non Resident Equity Shareholders	163	163
3	Number of Shares held by them	1,510,768	1,510,768
4	Amount remitted as dividend ( ₹ Crores)	1.36	1.36

(ii) Except for the above equity shareholders, the Company has not made any remittance in foreign currency on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident equity shareholders.

(iii) The particulars of non-resident equity shareholders and the amount of dividends paid to them are as under:

Sr. No.	Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
1	Equity Dividend for the year ended	31.03.2015	31.03.2014
2	Number of Non Resident Equity Shareholders including those under (i) above	7,468	7,198
3	Number of Shares held by them	59,202,541	61,981,543
4	Amount paid as dividend ( ₹ Crores)	53.28	55.79

### Note 52:

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 14.27 Crores. (Previous Year ₹ 14.07 Crores).

### Note 53:

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 46.27 Crores (Previous Year ₹ 40.35 Crores) and on account of capital expenditure is ₹ 4.62 Crores (Previous Year ₹ 4.11 Crores).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2016 is ₹ 57.82 Crores (Previous Year ₹ 61.51 Crores) i.e 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

# Notes to Financial Statements

## Note 54:

- (a) Other Operating Revenues include VAT Refund, under State Investment Promotion Scheme of ₹ 135.86 Crores (Previous Year ₹ 168.38 Crores).
- (b) Interest and Wages Expenses are net of subsidy received, under State Investment Promotion Scheme of ₹ 65.10 Crores (Previous Year ₹ 66.07 Crores) and ₹ 7.11 Crores (Previous Year ₹ 6.57 Crores) respectively.

## Note 55: Operating Lease

Sr. No.	Particulars	₹ In Crores	
		Year ended March 31 , 2016	Year ended March 31 , 2015
(a)	Future minimum rental payables under non-cancellable operating lease		
(i)	Not later than one year	1.94	1.84
(ii)	Later than one year and not later than five years	7.75	9.68
(iii)	More than five years	-	-

- (b) Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 128.06 Crores (Previous Year ₹ 86.18 Crores)
- (c) General Description of leasing agreements:
  - (i) Leased Assets: Godowns, Offices, Flats, Machinery & Others.
  - (ii) Future Lease rentals are determined on the basis of agreed terms.
  - (iii) At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
  - (iv) Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

## Note 56:

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

## Note 57:

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

Signatures to Note '1' to '57'

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

Mumbai, April 25, 2016

S. K. CHATTERJEE  
Company Secretary

# Independent Auditors' Report

To the Members of  
UltraTech Cement Limited

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of UltraTech Cement Limited ('the Holding Company'), its subsidiaries and jointly controlled entities (the Holding Company its subsidiaries and jointly controlled entities together referred to as "the Group"), comprising of the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

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

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

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

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

## **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2016, its consolidated profit and its consolidated cash flows for the year ended on that date.

## **Other Matter**

- a. The consolidated financial statements of the Company for the year ended 31 March 2015, were audited jointly by Deloitte Haskins & Sells LLP and G. P. Kapadia & Co. who expressed an unmodified opinion on those consolidated financial statements on 25 April 2015.
- b. The financial statements of four subsidiaries as considered in the consolidated financial statements, which reflects total assets (net) of Rs. 348.13 Crore as at 31 March 2016, total revenues of Rs. 0.14 Crore and net cash inflows amounting to Rs 0.74 Crore for the year ended on that date, have been audited by G.P. Kapadia & Co., one of the joint auditors of the Company.
- c. We did not audit the financial statements of fifteen subsidiaries whose financial statements reflect total assets (net) of Rs 3,281.48 Crore as at 31 March 2016, total revenues of Rs. 1,698.97 Crore and net cash outflows amounting to Rs 146.46 Crore 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 consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- d. The consolidated financial statements include the unaudited financial statements (management accounts) of a subsidiary and two jointly controlled entities, whose financial statements reflects total assets (net) of Rs 10.22 Crore as at 31 March 2016, total revenues of Rs. 0.03 Crore and net cash outflows amounting to Rs 0.06 Crore for the year ended on that date. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of the said subsidiary and jointly controlled entities, and our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and jointly controlled entities, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
- e. 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 our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management

## **Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, to the extent applicable, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled entities incorporated in India, none of the Directors of the Group companies, incorporated in India is disqualified as on 31 March 2016 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, subsidiaries and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 35(a) to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; s.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, subsidiary companies and jointly controlled entities incorporated in India.

For B S R & Co. LLP  
 Chartered Accountants  
 Firm's Registration No: 101248W/W-100022

Vikas R Kasat  
 Partner  
 Membership No: 105317  
 Mumbai  
 25 April 2016

For G.P. Kapadia & Co.  
 Chartered Accountants  
 Firm's Registration No: 104768W

Atul B. Desai  
 Partner  
 Membership No: 30850  
 Mumbai  
 25 April 2016

# Annexure A to Independent Auditors' Report – 31 March 2016

(Referred to in our report of even date)

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of UltraTech Cement Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI 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 controls and both issued by the 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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

- (c) 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to four subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Vikas R Kasat  
Partner  
Membership No: 105317  
  
Mumbai  
25 April 2016

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm's Registration No: 104768W

Atul B. Desai  
Partner  
Membership No: 30850  
  
Mumbai  
25 April 2016

# Consolidated Balance Sheet

as at March 31, 2016

₹ in Crores

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
Shareholders' Funds			
Share Capital	2	274.43	274.40
Reserves and Surplus	3	20,783.94	18,766.78
		21,058.37	19,041.18
Minority Interest		15.45	18.19
Non-Current Liabilities			
Long-term Borrowings	4	4,719.53	4,992.66
Deferred Tax Liabilities (Net)	5	3,231.74	2,795.51
Other Long-term Liabilities	6	16.29	17.04
Long-term Provisions	7	198.07	178.19
		8,165.63	7,983.40
Current Liabilities			
Short-term Borrowings	8	2,476.10	2,563.93
Trade Payables	9	1,749.23	1,711.15
Other Current Liabilities	10	6,346.54	5,595.46
Short-term Provisions	7	955.60	1,149.74
		11,527.47	11,020.28
<b>Total</b>		<b>40,766.92</b>	<b>38,063.05</b>
<b>ASSETS</b>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	23,934.00	22,209.99
Intangible Assets	11	109.29	79.75
Capital Work-in-Progress		1,471.74	2,245.17
Intangible Assets under Development		1.08	4.84
		25,516.11	24,539.75
Goodwill on Consolidation		1,106.24	1,053.11
Non-Current Investments	12	2,370.00	1,977.04
Deferred Tax Assets (net)	13	10.20	9.64
Long-Term Loans and Advances	14	1,771.01	1,801.18
Other Non-Current Assets	15	18.79	21.98
		4,170.00	3,809.84
Current Assets			
Current Investments	16	2,027.61	2,522.98
Inventories	17	2,615.41	2,949.12
Trade Receivables	18	1,926.58	1,658.82
Cash and Bank Balances	19	2,272.06	370.60
Short-term Loans and Advances	14	1,102.93	1,140.90
Other Current Assets	20	29.98	17.93
		9,974.57	8,660.35
<b>Total</b>		<b>40,766.92</b>	<b>38,063.05</b>
Significant Accounting Policies	1		

The accompanying Notes referred to above form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

Mumbai, April 25, 2016

S. K. CHATTERJEE  
Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2016  
₹ in Crores

Particulars	Notes	Year ended March 31, 2016	Year ended March 31, 2015
<b>REVENUE</b>			
Sale of Products and Services (Gross)	21	28,513.51	27,118.46
Less: Excise Duty		(3,232.85)	(3,062.69)
Sale of Products and Services (Net)		25,280.66	24,055.77
Other Operating Revenues	22	271.15	284.21
<b>Revenue from Operations (Net)</b>		<b>25,551.81</b>	<b>24,339.98</b>
Other Income	23	218.31	350.08
<b>Total Revenue (I)</b>		<b>25,770.12</b>	<b>24,690.06</b>
<b>EXPENSES</b>			
Cost of Raw Materials Consumed	24	3,985.74	3,742.30
Purchases of Stock-in-Trade	25	453.21	408.75
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(13.11)	(100.88)
Employee Benefits Expense	27	1,443.34	1,308.29
Power and Fuel		4,579.25	5,115.68
Freight and Forwarding Expense	28	5,973.92	5,418.44
Other Expenses	29	4,275.18	4,063.68
		<b>20,697.53</b>	<b>19,956.26</b>
Less: Captive Consumption of Cement {Net of Excise Duty ₹ 32.95 Crores, (Previous Year ₹ 37.71 Crores)}		(36.35)	(41.76)
<b>Total Expenses (II)</b>		<b>20,661.18</b>	<b>19,914.50</b>
<b>Profit before Interest, Depreciation and Tax (PBIDT) (I)-(II)</b>		<b>5,108.94</b>	<b>4,775.56</b>
Finance Costs	30	559.93	586.51
Depreciation and Amortisation Expense	31	1,368.35	1,203.42
<b>Profit before Tax Expenses</b>		<b>3,180.66</b>	<b>2,985.63</b>
Income Tax Expenses:			
Current Tax		632.59	510.78
MAT Credit		(176.86)	(489.29)
Excess tax provision reversal related to prior years		0.40	-
Deferred Tax Charge		436.35	862.03
<b>Total</b>		<b>892.48</b>	<b>883.52</b>
<b>Profit for the Year</b>		<b>2,288.18</b>	<b>2,102.11</b>
Minority Interest		1.60	3.77
<b>Profit for the Year</b>		<b>2,286.58</b>	<b>2,098.34</b>
Earnings Per Equity Share (Face Value ₹ 10 each)	46		
Basic (in ₹)		83.33	76.48
Diluted (in ₹)		83.28	76.44
Significant Accounting Policies	1		

The accompanying Notes referred to above form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP

For G.P. Kapadia & Co.

K.K.MAHESHWARI

R. C. BHARGAVA

Chartered Accountants

Chartered Accountants

Managing Director

G. M. DAVE

Firm Registration No: 101248W/W-100022

Firm Registration No: 104768W

Directors

VIKAS R KASAT

ATUL B. DESAI

ATUL DAGA

Partner

Partner

Chief Financial Officer

Membership No: 105317

Membership No: 30850

S. K. CHATTERJEE

Mumbai, April 25, 2016

Company Secretary

# Consolidated Cash Flow Statement

for the year ended March 31, 2016

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit Before tax	3,180.66	2,985.63
Adjustments for:		
Depreciation and Amortisation	1,368.35	1,203.42
Compensation Expenses under Employees Stock Options Scheme	5.38	4.89
Provision for Doubtful Advances/ debts (net)	28.87	0.34
Provision for Diminution in value of Investments	-	1.87
Bad Debts Written-off	1.02	0.79
Excess Provision written back (net)	(36.22)	(22.37)
Provision for Wealth Tax	-	2.48
Provision for Retirement Benefits	23.11	32.60
Provision for Mines Restoration	2.84	2.29
Interest and Dividend Income	(62.14)	(37.28)
Finance Costs	559.93	586.51
Unrealised Foreign Exchange Loss	0.00	(0.29)
(Profit) / Loss on Sale of Fixed Assets (net)	(0.04)	2.16
Profit on Sale of current Investment (net)	(145.81)	(299.49)
<b>Operating Profit before Working Capital Changes</b>	<b>4,925.95</b>	<b>4,463.55</b>
Movements in working capital:		
Increase in Trade payables and other Liabilities	347.98	383.16
Increase in Trade receivables	(287.21)	(27.22)
Decrease/(Increase) in Inventories	333.71	(325.55)
Decrease/(Increase) in Loans and Advances and Other Current Assets	29.32	(134.70)
<b>Cash Generated from Operations</b>	<b>5,349.75</b>	<b>4,359.24</b>
Taxes paid	(851.79)	(169.06)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>4,497.96</b>	<b>4,190.18</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(2,117.21)	(2,721.64)
Sale of Fixed Assets	18.21	12.20
Expenditure for Cost on Assets transferred from Samruddhi Cement Limited (SCL), pursuant to Scheme of Amalgamation	-	(25.00)
Proceeds / (Purchase) of Non current Investments (net)	(319.30)	(601.57)
Sale of current Investments	567.52	1,262.89
(Investment) / Redemption in Bank deposits (having original maturity of more than three months)	110.61	(107.49)
Investment in Subsidiaries	(12.72)	(20.56)
Interest / Dividend Received	59.46	35.28
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,693.43)</b>	<b>(2,165.89)</b>

## Consolidated Cash Flow Statement (contd.) for the year ended March 31, 2016

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Share Capital	2.67	1.58
Equity infusion by Minority Shareholder in a subsidiary	0.89	1.75
Repayment of Long Term Borrowings	(2,645.57)	(310.97)
Proceeds from Long Term Borrowings	2,821.23	1,172.66
Proceeds / (Repayment) of Short Term Borrowings	(129.75)	1,555.25
Repayment of Borrowings transferred from JCCL, pursuant to Scheme of Arrangement	-	(3,647.08)
Interest Paid	(596.20)	(588.53)
Dividend Paid	(250.90)	(252.53)
Corporate Dividend Tax	(46.40)	(41.95)
<b>Net Cash used in Financing Activities (C)</b>	<b>(844.03)</b>	<b>(2,109.82)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>1,960.50</b>	<b>(85.53)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>87.86</b>	<b>151.26</b>
<b>Effect of exchange rate on consolidation of Foreign Subsidiaries</b>	<b>48.38</b>	<b>22.13</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>2,096.74</b>	<b>87.86</b>
<b>Cash and Bank balance as per Note 19</b>	<b>2,272.06</b>	<b>370.60</b>
<b>Less: Fixed Deposits not considered as Cash &amp; Cash Equivalent</b>	<b>(175.32)</b>	<b>(282.74)</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>2,096.74</b>	<b>87.86</b>

### Notes:

1. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 specified under Section 133 of the Companies Act, 2013.
2. Purchase of fixed assets includes movements of capital work-in-progress (including Capital Advances) during the year.
3. The scheme of arrangement between JCCL and the Company does not involve any cash outflow and the consideration to the shareholders of the transferor company were through issue of equity shares of the Company.

### Significant Accounting Policies

### Note 1

The accompanying are an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

S. K. CHATTERJEE  
Company Secretary

Mumbai, April 25, 2016

# Notes to Consolidated Financial Statements

## Note 1 Company Profile & Significant Accounting Policies:

### (i) Company Overview:

Ultratech Cement Limited ('the Holding Company') is a Public Limited Company incorporated in India under the provisions of Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company and its Subsidiaries is engaged in the manufacturing and selling of Cement and Cement related products. The Company caters mainly to the domestic market. The holding Company, its subsidiaries and Jointly Controlled entities together referred as 'the Company' or the 'Group'.

### (ii) Basis of Accounting and preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These financial statements comply in all material aspects with the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

### (iii) Use of estimates:

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

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

### (iv) Classification of Assets and Liabilities into Current/Non-current:

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

### (v) Fixed Assets:

Fixed assets (whether Tangible or Intangible) are stated at cost less accumulated depreciation / amortization / impairment loss (if any), net of Cenvat (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, if capitalisation criteria are met, and other incidental expenses incurred in relation to their acquisition / bringing the assets for their intended use.

Spares which can be used only in connection with a particular Plant and Equipment of the Company and use is expected to be irregular, are capitalised at cost, net of Cenvat (wherever claimed).

Losses arising from the retirement of, and gains / losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss..

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and

## Notes to Consolidated Financial Statements

disposal. Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under "Other Current Assets".

**(vi) Expenditure during construction period:**

Expenditure/ Income, during construction period (including financing cost relating to borrowed funds for construction or acquisition of qualifying fixed assets) is included under Capital Work-in-Progress, and the same is allocated to the respective fixed assets on the completion of their construction. Advances given towards acquisition or construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Long-term loans and advances".

**(vii) Borrowing Costs:**

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

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

**(viii) Depreciation and Amortisation:**

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Companies Act, 2013 and as estimated by the management.

Depreciable amount for assets is the cost of an asset less its estimated residual value.

The useful life of an asset is the period over which an asset is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity.

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II to the Companies Act, 2013. Besides the useful life of specific assets, the company follows the process of componentisation for fixed assets w.e.f. 01.04.2015 as per the requirement of the Act. Accordingly, the Company has identified a part of an asset as a separate component in whole asset value (beyond certain value) and useful life of the part is different from the useful life of the remaining asset. The useful life has been assessed based on technical advice, taking into account the nature of the asset / component of an asset, the estimated usage of the asset / component of an asset on the basis of management's best estimation of getting economic benefits from those class of assets / components of an asset. The Company uses its technical expertise along with historical and industry trends for arriving the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Pursuant to the above policy, depreciation on the following assets has been provided based on the estimated useful lives of fixed assets given below:

No.	Nature of Asset/Component of an asset	Useful life of the Assets/Components of an asset
1	Buildings	3-60 Years
2	Plant and Machinery	10-30 Years
3	Office Equipment	4 Years
4	Furniture and Fixtures	6-7 Years
5	Laboratory equipments	6-10 Years
6	Mobile Phones	3 Years

## Notes to Consolidated Financial Statements

No.	Nature of Asset/Component of an asset	Useful life of the Assets/Components of an asset
7	Company Vehicles (other than those provided to the employees)	5 Years
8	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
9	Leasehold Land and Mining Lease	Period of the Lease
10	Assets not owned by the Company	As per period specified in the agreement, else 5 years.
11	Expenditure incurred on Jetty	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
12	Servers and Networks	3 Years
13	Computers	3-4 years
14	Software	3 years
15	Spares which are capitalized	Allocated on Systematic basis over the useful life of related fixed assets.
16	Assets individually costing less than or equal to ₹ 10,000	In the year of purchase

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

**(ix) Impairment of Assets:**

The carrying amount of assets are reviewed at each balance sheet date, if there is an indication of impairment based on internal and external factors.

An asset is treated as impaired when the carrying amount of the asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an assets net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The discounting rate is a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is an indication that impairment loss recognised for the asset no longer exists or has decreased.

**(x) Investments:**

a) **Presentation & disclosure**

Investments which are readily realisable, and are intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments / non-current investments.

b) **Recognition & measurement**

Long-term investments are stated at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment.

Current investments, except current maturities of Long- term investments, are stated at lower of cost and fair value determined for each category of investments.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

## Notes to Consolidated Financial Statements

c) **Disposal**

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the Statement of profit and loss.

(xi) **Foreign Currency Transactions:**

- a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates.
- b) In respect of forward exchange contracts, premium or discount, being the difference between the forward exchange rate and the exchange rate at the inception of contract is recognised as expense or income over the life of the contract.
- c) Exchange difference including premium or discount on forward exchange contracts, relating to borrowed funds, liabilities and commitments in foreign currency for acquisition of fixed assets, arising till the assets are ready for their intended use, are adjusted to cost of fixed assets. Any other exchange difference either on settlement or translation is recognised in the Statement of Profit and Loss..
- d) Investment in equity capital of overseas companies registered outside India are carried in the Balance Sheet at the rates at which transactions have been executed

(xii) **Derivatives:**

Derivative instruments are used to hedge risk associated with foreign currency fluctuations, interest rates and commodity prices. The derivative contracts are closely linked with underlying transactions and are intended to be held till maturity. The Company does not enter into any derivative contracts for speculations or trading purposes.

The Company has adopted AS 30 – “Financial Instrument – Recognition and Measurement”, to the extent that adoption did not conflict with existing accounting standards and other regulatory requirements. Accordingly the Company tests each contracts which are entered on the basis of highly probable forecast transactions and decided whether to designate as an effective hedge.

To designate a forward contract as an effective hedge, the management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk.

The gain or losses on designated hedging contract that qualify as an effective hedge is recorded in the hedging reserve account until the transactions are complete. Upon completion or cessation of hedging relationship as an effective, net cumulative gain / losses are transferred to Statement of Profit & Loss.

The gain or losses on the contracts which do not qualify for hedge accounting or considered as ineffective hedge transactions are charged to Statement of Profit & Loss.

(xiii) **Inventories:**

Inventories are valued as follows:

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

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

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

Valued at lower of cost and NRV. Finished goods and WIP cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost of finished goods includes excise duty. Cost of inventories is computed on weighted average basis.

# Notes to Consolidated Financial Statements

## c) Waste / Scrap:

Waste / Scrap inventory is valued at NRV.

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

## (xiv) Employee Benefits:

### a) Short term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

### b) Defined Contribution Plan

Contributions payable to recognised provident fund, approved superannuation scheme and national pension scheme, which are substantially defined contribution plans, are recognised as expense in the Statement of Profit and Loss, as they are incurred.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

### c) Defined Benefit Plan

The obligation in respect of defined benefit plans, which cover Gratuity, Pension and Post-retirement medical benefits, are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Gratuity is funded with an approved fund. Actuarial gains / losses, if any, are recognised immediately in the Statement of Profit and Loss.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

### d) Other Long Term Benefits

The Company provides for encashment of leave or leave with pay subject to certain rules. Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

### e) Presentation of Non-funded obligation of defined benefit plans and other long term benefits, as long term and short term liability is on the basis of actuary's report.

## (xv) Employee Share based payments:

The Company follows intrinsic value method for valuation of Employee Stock Option in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 {erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999} and the Guidance Note on Accounting for Employee Share based payments, issued by the Institute of Chartered Accountants of India. The excess of market price of shares at the time of grant of options, over the exercise price to be paid by the option holder is considered as employee compensation expense and is amortised in the Statement of Profit and Loss over the period of vesting, adjusting for the actual and expected vesting.

## (xvi) Income Taxes:

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

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred Tax reflects the impact of timing difference between accounting income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax

## Notes to Consolidated Financial Statements

liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation and items relating to capital losses which is recognised based on virtual certainty, supported by continuing evidence that there will be sufficient future taxable income available to realise the asset.

### **Minimum Alternate Tax (MAT):**

MAT under the provisions of Income tax Act, 1961, where applicable, is recognised as current tax in the statement of Profit and Loss. The credit available under the Income Tax Act, 1961 is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

### **(xvii) Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- a) Sales are recognised on transfer of significant risks and rewards of ownership of the goods to the buyer. Sales are disclosed net of Sales Tax, Value added tax (VAT), trade discounts, rebates and returns but include excise duty. Sales exclude self-consumption of finished goods.
- b) Income from services is recognised (net of service tax as applicable) as they are rendered, based on agreement / arrangement with the concerned parties.
- c) Dividend income is accounted for when the right to receive the income is established and known by the Balance Sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Premium or Discount on Investment Instruments is amortised over the holding period till maturity. Income other than dividend, interest & premium or discount on Investments are recognised on maturity or sale.
- d) Export incentives, insurance, railway and other claims/receipts, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

### **(xviii) Mines Restoration Expenditure:**

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

### **(xix) Government Grants and Subsidies:**

- a) Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached thereto and that the grants will be received.
- b) Capital Government Grants or Subsidies relating to specific fixed assets are deducted from the gross value of the respective fixed assets and other capital grants are credited to Capital Reserve.
- c) Other Government Grants or Subsidies relating to an expense item are recognised as income over the period to match them on a systematic basis to the costs or deducted from related expenses.

### **(xx) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognised when there is a present obligation as a result of past events that can be estimated reliably and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

# Notes to Consolidated Financial Statements

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

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

Contingent Liabilities are not recognised but are disclosed and Contingent Assets are neither recognised nor disclosed, in the financial statements.

**(xxi) Earnings Per Share:**

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

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

**(xxii) Segment Reporting:**

a) **Identification of Segments:**

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

b) **Segment Policies:**

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

**(xxiii) Research and development expenditure:**

Revenue expenditure pertaining to research is expensed as incurred. Capital expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

**(xxiv) Operating lease:**

Leases where significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

**(xxv) Goodwill:**

Goodwill arising out of consolidation of financial statements of Subsidiaries and Joint Ventures is not amortised. However the same is tested for impairment at each Balance Sheet date.

Goodwill on consolidation arising in case of subsidiary having mining rights is amortised in proportion to the quantity extracted during the period out of the total estimated mineral reserve size. The total estimated reserve size is reviewed periodically, on the basis of technical estimates.

## Notes to Consolidated Financial Statements

### NOTE 2 SHARE CAPITAL

₹ in Crores

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	280,000,000	280.00	280,000,000	280.00
<b>Issued, Subscribed and Fully Paid-up</b>				
Equity Shares of ₹ 10 each fully paid-up	274,431,377	274.43	274,404,627	274.40

- (a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year

Outstanding at the beginning of the year	274,404,627	274.40	274,241,387	274.24
Add: Shares issued under Employees Stock Options Scheme (ESOS)	26,750	0.03	21,597	0.02
Add: Shares issued to the shareholders of Jaypee Cement Corporation Limited (JCCL) pursuant to the Scheme of Arrangement	-	-	141,643	0.14
Outstanding at the end of the year	274,431,377	274.43	274,404,627	274.40

- (b) Shares held by Holding Company

Grasim Industries Limited	165,335,150	165.34	165,335,150	165.34
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- (c) List of shareholders holding more than 5% of Paid-up Equity Share Capital

	No. of Shares	% Holding	No. of Shares	% Holding
Grasim Industries Limited	165,335,150	60.25%	165,335,150	60.25%

	No. of Shares	Amount (₹ Crs)	No. of Shares	Amount (₹ Crs)
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	315,961	0.32	324,869	0.32

- (e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of JCCL, pursuant to the Scheme of Arrangement	141,643	0.14	141,643	0.14
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- (f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. 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 equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

# Notes to Consolidated Financial Statements

## NOTE 3 RESERVES AND SURPLUS

As at March 31, 2016

Particulars	Capital Reserve	Hedging Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Outstanding Account #	Foreign Exchange Translation Reserve @	Surplus as per Statement of Profit and Loss	₹ in Crores Total
Opening Balance	142.91	(5.79)	293.50	14,924.73	22.12	8.65	76.20	3,304.46	18,766.78
Additions during the year	-	-	170.83	1,500.00	3.31*	4.72	26.61	2,286.58	3,992.05
Deductions during the year	-	5.84	(127.25)	-	-	-	-	(1,543.58)	(1,664.99)
Proposed dividend (including Corporate Dividend Tax)	-	-	-	-	-	-	-	(309.90)	(309.90)
Closing Balance	142.91	0.05	337.08	16,424.73	25.43	13.37	102.81	3,737.56	20,783.94

As at March 31, 2015

Particulars	Capital Reserve	Hedging Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Outstanding Account #	Foreign Exchange Translation Reserve @	Surplus as per Statement of Profit and Loss	₹ in Crores Total
Opening Balance	25.32	-	77.25	13,674.73	19.94	4.39	60.25	3,045.78	16,907.66
Additions during the year	117.59!	-	262.50	1,250.00	2.18*	4.26	15.95	2,098.34	3,750.82
Deductions during the year	-	(5.79)	(46.25)	-	-	-	-	(1,542.42) <sup>\$</sup>	(1,594.46)
Proposed dividend (including Corporate Dividend Tax)	-	-	-	-	-	-	-	(297.24)	(297.24)
Closing Balance	142.91	(5.79)	293.50	14,924.73	22.12	8.65	76.20	3,304.46	18,766.78

@ Foreign Exchange Translation Reserve has been created for Exchange variation in Opening Equity Share Capital and Reserves and Surplus of UltraTech Cement Lanka (Pvt.) Ltd, UltraTech Cement Middle East Investments Ltd, PT UltraTech Mining Indonesia and PT UltraTech Investment Indonesia.

# Net of Deferred Employees Compensation Expenses ₹ 6.50 Crores (Previous Year ₹ 10.39 Crores).

\* On account of Employees Stock Options exercised during the year.

\$ Includes ₹ 76.04 Crores on account of change in depreciation rate as per Companies Act, 2013 (net of Deferred tax of ₹ 40.10 Crores) and ₹ 0.13 Crore on account of dividend paid on Shares allotted under ESOS as on record date of payment of dividend.

! Adjustment on account of acquisition of JCCL Gujarat units, pursuant to Scheme of Arrangement. The scheme became effective on June 12, 2014. As at the effective date the financials of the Demerged units, considered for passing accounting entries, reflected a debit balance in the Statement of Profit and Loss of ₹ 1,072.53 Crores.

### Note 3.1

The Board of Directors has recommended a dividend of ₹ 9.50 per share for the year ended March 31, 2016 (Previous year ₹ 9 per share). Total Cash outflows on account of dividend ₹ 260.71 Crores (Previous Year ₹ 246.96 Crores) and on account of Corporate Dividend Tax ₹ 53.07 Crores (Previous Year ₹ 50.28 Crores).

## Notes to Consolidated Financial Statements

### NOTE 4 LONG-TERM BORROWINGS

₹ in Crores

Particulars	Long-Term		Current Maturities of Long-Term debts *	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
<b>Secured:</b>				
Non-Convertible Debentures - Note (a)	650.00	1,265.00	1,015.00	9.00
Term Loans from Banks:				
In Foreign Currency - Note (b1)	1,429.71	1,147.38	768.11	188.56
In Local Currency - Note (c)	400.00	375.00	275.00	75.00
	1,829.71	1,522.38	1,043.11	263.56
Sales Tax Deferment Loan - Note (d1)	22.83	25.83	9.70	5.10
	2,502.54	2,813.21	2,067.81	277.66
<b>Unsecured:</b>				
Term Loans from Banks:				
Term Loans from Banks - In Foreign Currency - Note (b2)	1,973.17	1,905.57	732.43	1,952.65
Sales Tax Deferment Loan - Note (d2)	243.82	273.88	31.21	42.24
	2,216.99	2,179.45	763.64	1,994.89
<b>Total</b>	<b>4,719.53</b>	<b>4,992.66</b>	<b>2,831.45</b>	<b>2,272.55</b>

\*Amount disclosed under the head "Other Current Liabilities" (Note 10)

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Non - Convertible Debentures (NCDs)		
7.85% NCDs (Redeemable at par on December 18, 2018)	200.00	-
7.84% NCDs (Redeemable at par on April 09, 2018)	200.00	-
9.15% NCDs (Redeemable at par on August 28, 2017)	250.00	250.00
8.05% NCDs (Redeemable at par on January 27, 2017)	250.00	250.00
8.80% NCDs (Redeemable at par on September 30, 2016)	250.00	250.00
8.90% NCDs (Redeemable at par on August 8, 2016)	500.00	500.00
8.01% NCDs (Redeemable at par on July 14, 2016, Put and Call Option to both parties on July 14, 2014)	15.00	15.00
8.80% NCDs (Redeemable at par on December 30, 2015)	-	9.00
	1,665.00	1,274.00
Less: Current Portion of NCDs shown under Other Current Liabilities	(1,015.00)	(9.00)
<b>Total</b>	<b>650.00</b>	<b>1,265.00</b>

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

# Notes to Consolidated Financial Statements

## NOTE 4 LONG-TERM BORROWINGS (contd.)

Particulars	Repayment Schedule	As at March 31, 2016	₹ in Crores As at March 31, 2015
(b1) Term Loans from Banks in Foreign Currency			
Secured:			
International Finance Corporation, Washington (US Dollar 4.64 Crores; Previous Year: 5.00 Crores)	In 14 semi annual installments beginning December 2015	301.60	324.80
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar 4.00 Crores; Previous Year: 4.00 Crores)	February 2019	246.32	246.32
J P Morgan Chase Bank N.A., Singapore* (US Dollar 5.00 Crores; Previous Year: Nil)	3 equal annual installment beginning November 2015	244.50	-
DBS Bank Ltd., Singapore (Japanese Yen 240.00 Crores; Previous Year: 240.00 Crores)	March 2017	145.22	145.22
BNP Paribas, Singapore (Japanese Yen 130.00 Crores; Previous Year: 130.00 Crores)	March 2017	78.53	78.53
Credit Agricole Corporate & Investment Bank, Singapore (Japanese Yen 176.64 Crores; Previous Year: 176.64 Crores)	December 2016	113.52	113.52
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar 0.78 Crore; Previous Year: 0.78 Crore)	October 2016	38.19	38.19
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar 5.00 Crores; Previous Year: 5.00 Crores)	May 2016	224.00	224.00
Cooperative Central Raiffeisen- Boerenleen bank B.A. (Trading as Rabo International, Singapore, Japanese Yen - Nil ; Previous Year: 90.00 Crores)	In 3 equal annual installments beginning March 2014	-	54.06
J P Morgan Chase Bank NA, Singapore (US Dollar - Nil; Previous Year: 2.00 Crores)	December 2015	-	111.30
Oman Arab Bank	In installments from January 2017 to March 2021	11.10	-
Standard Chartered Bank	In Installments from July 2017 to July 2020	794.84	-
		2,197.82	1,335.94
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(768.11)	(188.56)
<b>Total</b>		<b>1,429.71</b>	<b>1,147.38</b>

The foreign currency loans are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders/ trustees.

\* Loan has been re-financed. In the previous year same was in Unsecured Loan from Sumitomo Mitsui Banking Corporation, Singapore.

## Notes to Consolidated Financial Statements

### NOTE 4 LONG-TERM BORROWINGS (contd.)

Particulars	Repayment Schedule	As at March 31, 2016	As at March 31, 2015
<b>(b2) Term Loans from Banks in Foreign Currency</b>			
<b>Unsecured:</b>			
Mizuho Bank,Ltd Singapore * (US Dollar 5.00 Crores; Previous Year: 5.00 Crores)	December 2017	273.25	273.25
Bank of America NA, Taiwan (US Dollar 7.50 Crores; Previous Year: 7.50 Crores)	3 equal annual installments beginning October 2016	415.76	415.76
Mizuho Bank,Ltd Singapore * (US Dollar 7.50 Crores; Previous Year: 7.50 Crores)	October 2016	369.15	369.15
Mizuho Bank,Ltd Singapore * (US Dollar 5.00 Crores; Previous Year: 5.00 Crores)	May 2016	224.00	224.00
Mizuho Bank,Ltd Singapore * (Japanese Yen - Nil; Previous Year: 170.00 Crores)	March 2016	-	100.71
Mizuho Bank,Ltd Singapore * (Japanese Yen - Nil; Previous Year: 180.00 Crores)	March 2016	-	122.48
Sumitomo Mitsui Banking Corporation and Bank of Nova Scotia, Singapore (Japanese Yen - Nil; Previous Year: 400.00 Crores)	March 2016	-	237.01
Sumitomo Mitsui Banking Corporation, Singapore** (US Dollar - Nil; Previous Year: 7.50 Crores)	3 equal annual installment beginning November 2015	-	366.75
Standard Chartered Bank	July 2020	1,423.44	-
HSBC and SMBC	July 2015	-	747.15
HSBC and SMBC	July 2015	-	623.05
Bank of America	January 2018	-	124.63
Oman Arab Bank	July 2015	-	4.95
Sumitomo Mitsui Banking Corporation	July 2019	-	93.48
Sumitomo Mitsui Banking Corporation	October 2019	-	155.85
		2,705.60	3,858.22
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(732.43)	(1,952.65)
<b>Total</b>		<b>1,973.17</b>	<b>1,905.57</b>

\* Mizuho Bank, Ltd was formerly known as Mizuho Corporate Bank, Ltd

\*\* Loan has been re-financed. In the previous year same was in Unsecured Loan from Sumitomo Mitsui Banking Corporation, Singapore.

# Notes to Consolidated Financial Statements

## NOTE 4 LONG-TERM BORROWINGS (contd.)

Particulars	Repayment Schedule	₹ in Crores	
		As at March 31, 2016	As at March 31, 2015
(c) Term Loans from Banks in Local Currency - Secured:			
State Bank of India	In 4 installments beginning: May 2022 (25%), November 2022 (25%) May 2023 (25%) and November 2023 (25%)	300.00	-
HDFC Bank Ltd.	In 3 annual installments beginning: December 2015 (30%), December 2016 (30%) and December 2017 (40%)	175.00	250.00
Axis Bank Ltd.	January 2017	200.00	200.00
		675.00	450.00
Less: Current Portion of Term Loans shown under Other Current Liabilities		(275.00)	(75.00)
<b>Total</b>		<b>400.00</b>	<b>375.00</b>

Rupee Term loans from banks are secured by way of first charge, having pari passu rights, on movable and immovable assets (save and except stocks and book debts), both present and future, situated at one of the Company's location.

(d1) Sales Tax Deferment Loan:			
Secured:			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2015 to February 2021	32.53	30.93
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		(9.70)	(5.10)
<b>Total</b>		<b>22.83</b>	<b>25.83</b>

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

(d2) Sales Tax Deferment Loan:			
Unsecured:			
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	260.00	275.99
Commercial Tax Department, Chhattisgarh	Payable in FY17	0.11	0.11
Commercial Tax Department, Chhattisgarh	Varied Annual payments from April 2012 to April 2016	14.92	40.02
		275.03	316.12
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		(31.21)	(42.24)
<b>Total</b>		<b>243.82</b>	<b>273.88</b>

## Notes to Consolidated Financial Statements

### Note 5 DEFERRED TAX LIABILITIES (Net)

₹ in Crores

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Deferred Tax Assets:</b>		
Provision allowed under tax on payment basis	(157.73)	(130.40)
Others	(77.36)	(69.99)
Unabsorbed depreciation / losses	(81.41)	(153.43)
	(316.50)	(353.82)
<b>Deferred Tax Liabilities:</b>		
Depreciation and Amortisation differences	3,548.24	3,149.33
	3,548.24	3,149.33
<b>Net Deferred Tax Liability</b>	<b>3,231.74</b>	<b>2,795.51</b>

Deferred Tax benefits are recognised on assets to the extent that it is more likely than not, future taxable profit will be available against which the asset can be utilised.

### Note 6 OTHER LONG-TERM LIABILITIES

Trade Payables (other than Micro and Small Enterprises; refer Note 9.1)	16.29	17.04
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### NOTE 7 PROVISIONS

Particulars	Long-Term		Short Term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
For Employee Benefits	186.16	169.12	30.55	24.48
For Mines Restoration Expenditure	11.91	9.07	-	-
For Cost of Assets transferred	-	-	138.17	138.17
For Tax (net of Advance Tax)	-	-	473.10	689.85
For Proposed Dividend	-	-	260.71	246.96
For Corporate Dividend Tax	-	-	53.07	50.28
	198.07	178.19	955.60	1,149.74

#### Note 7.1

Movement of provisions during the year as required by Accounting Standard - 29 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Mines Restoration Expenditure:		
Opening Balance	9.07	6.78
Add: Provision during the year	2.84	2.29
Less: Utilisation during the year	-	-
Closing Balance	11.91	9.07
(b) Provision for Cost of Transfer of Assets:		
Opening Balance	138.17	162.82
Add: Provision during the year	-	25.50
Less: Utilisation during the year	-	(50.15)
Closing Balance	138.17	138.17

## Notes to Consolidated Financial Statements

### NOTE 8 SHORT-TERM BORROWINGS

Particulars	As at March 31, 2016	₹ in Crores As at March 31, 2015
<b>Secured:</b>		
Loans repayable on demand:		
From Banks - Cash Credits / Working Capital Borrowings	363.92	205.86
(Secured by Hypothecation of Stocks and Book Debts of the Company)		
<b>Unsecured:</b>		
From Banks	624.88	1,847.45
From Others	1,487.30	10.62
8.70% NCD (Redeemed at par on November 10, 2015)	-	500.00
	<b>2,112.18</b>	2,358.07
	<b>2,476.10</b>	2,563.93

### NOTE 9 TRADE PAYABLES

Due to Micro and Small Enterprises	1.15	1.04
Others	1,748.08	1,710.11
	<b>1,749.23</b>	1,711.15

#### Note 9.1

There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

### NOTE 10 OTHER CURRENT LIABILITIES

Current maturities of long-term debts (Refer Note 4)	2,831.45	2,272.55
Interest Accrued but not due on Borrowings	117.22	134.97
Investor Education and Protection fund, will be credited with following amounts (as and when due)		
Unpaid Dividends	6.57	5.79
Due to Related Parties	0.03	-
Liability for Capital Goods	201.42	248.11
Others (including Security and other Deposits, Advances from Customers, Provision for Expenses etc.)	3,189.85	2,934.04
	<b>6,346.54</b>	5,595.46

# Notes to Consolidated Financial Statements

## NOTE 11 FIXED ASSETS

₹ in Crores

Particulars	Gross Block					Depreciation and Amortisation					Net Block As at March 31, 2016
	As at April 01, 2015	Other Adjustments*	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	Other Adjustments*	For the year	Deductions/ Adjustments	As at March 31, 2016	
<b>(A) Tangible Assets</b>											
Land:											
Freehold Land	3,053.59	0.49	272.51	1.73	3,324.86	-	-	-	-	-	3,324.86
Leasehold Land	257.21	(0.06)	91.38	0.27	348.26	55.66	(0.03)	11.28	0.25	66.66	281.60
Buildings	2,792.24	5.89	433.25	11.00	3,220.38	756.70	1.78	143.81	7.93	894.36	2,326.02
Railway Sidings	536.05	-	120.37	-	656.42	257.79	-	26.43	-	284.22	372.20
Plant and Equipment											
Own	26,271.86	100.78	1,923.52	236.17	28,059.99	9,900.76	32.39	1,030.19	115.56	10,847.78	17,212.21
Given on Lease	55.43	-	25.26	(92.57)	173.26	52.65	-	7.52	(13.00)	73.17	100.09
Office Equipment	236.23	(0.02)	34.55	7.69	263.07	172.03	(0.03)	30.04	7.36	194.68	68.39
Furniture and Fixtures	162.66	1.62	16.42	3.49	177.21	120.52	1.31	15.01	2.59	134.25	42.96
Jetty	221.66	-	53.40	-	275.06	93.88	-	11.05	-	104.93	170.13
Vehicles	77.52	0.45	15.50	11.03	82.44	44.47	0.28	10.89	8.74	46.90	35.54
<b>Total Tangible Assets</b>	<b>33,664.45</b>	<b>109.15</b>	<b>2,986.16</b>	<b>178.81</b>	<b>36,580.95</b>	<b>11,454.46</b>	<b>35.70</b>	<b>1,286.22</b>	<b>129.43</b>	<b>12,646.95</b>	<b>23,934.00</b>
<b>(B) Intangible Assets</b>											
Software	119.94	1.88	19.17	0.31	140.68	90.32	1.27	19.00	0.31	110.28	30.40
Mining Rights	72.08	-	34.72	-	106.80	21.95	-	5.96	-	27.91	78.89
<b>Total Intangible Assets</b>	<b>192.02</b>	<b>1.88</b>	<b>53.89</b>	<b>0.31</b>	<b>247.48</b>	<b>112.27</b>	<b>1.27</b>	<b>24.96</b>	<b>0.31</b>	<b>138.19</b>	<b>109.29</b>
<b>Total Assets (A+B)</b>	<b>33,856.47</b>	<b>111.03</b>	<b>3,040.05</b>	<b>179.12</b>	<b>36,828.43</b>	<b>11,566.73</b>	<b>36.97</b>	<b>1,311.18</b>	<b>129.74</b>	<b>12,785.14</b>	<b>24,043.29</b>

\* On account of foreign currency translation

Particulars	Gross Block					Depreciation and Amortisation					Net Block As at March 31, 2015
	As at April 01, 2014	Transferred on acquisition	Other Adjustments*	Additions	Deductions/ Adjustments	As at March 31, 2015	As at April 01, 2014	Transferred on acquisition	Other Adjustments*	For the year	
<b>(A) Tangible Assets</b>											
Land:											
Freehold Land	2,017.60	608.76	0.30	427.20	0.27	3,053.59	-	-	-	-	-
Leasehold Land	136.45	6.68	0.04	75.71	(38.33)	257.21	46.42	0.16	0.02	9.06	-
Buildings	2,059.30	446.39	3.81	287.02	4.28	2,792.24	464.00	63.68	1.08	228.42	0.48
Railway Sidings	491.95	0.78	-	43.32	-	536.05	192.89	0.05	-	64.85	-
Plant and Equipment											
Own	21,426.56	2,900.12	61.91	1,986.72	103.45	26,271.86	8,555.30	502.34	19.69	880.94	57.51
Given on Lease	55.43	-	-	-	-	55.43	46.89	-	-	5.76	-
Office Equipment	214.06	3.11	(0.01)	29.49	10.42	236.23	146.21	2.40	0.02	33.05	9.65
Furniture and Fixtures	146.09	2.47	1.02	15.52	2.44	162.66	99.49	1.97	0.75	21.48	3.17
Jetty	80.60	141.06	-	-	-	221.66	80.04	8.88	-	4.96	-
Vehicles	64.83	8.13	0.32	11.31	7.07	77.52	32.75	4.51	0.19	12.47	5.45
<b>Total Tangible Assets</b>	<b>26,692.87</b>	<b>4,117.50</b>	<b>67.39</b>	<b>2,876.29</b>	<b>89.60</b>	<b>33,664.45</b>	<b>9,663.99</b>	<b>583.99</b>	<b>21.75</b>	<b>1,260.99</b>	<b>76.26</b>
<b>(B) Intangible Assets</b>											
Software	100.57	0.04	1.16	18.61	0.44	119.94	73.30	0.01	0.73	16.72	0.44
Mining Rights	94.17	-	-	16.24	38.33	72.08	17.15	-	-	4.80	-
<b>Total Intangible Assets</b>	<b>194.74</b>	<b>0.04</b>	<b>1.16</b>	<b>34.85</b>	<b>38.77</b>	<b>192.02</b>	<b>90.45</b>	<b>0.01</b>	<b>0.73</b>	<b>21.52</b>	<b>0.44</b>
<b>Total Assets (A+B)</b>	<b>26,887.61</b>	<b>4,117.54</b>	<b>68.55</b>	<b>2,911.14</b>	<b>128.37</b>	<b>33,856.47</b>	<b>9,754.44</b>	<b>584.00</b>	<b>22.48</b>	<b>1,282.51</b>	<b>76.70</b>

\* On account of foreign currency translation

# Notes to Consolidated Financial Statements

## NOTE 11 FIXED ASSETS (contd.)

Particulars	₹ in Crores	
	Year ended March 31, 2016	Year ended March 31, 2015
A) Depreciation and Amortisation for the year	1,311.18	1,282.51
Add: Obsolescence	58.99	37.31
Add: Amortisation of Goodwill on Consolidation	1.86	2.36
Less: Depreciation transferred to Pre-operative Expenses	(3.68)	(2.62)
Less: Depreciation transferred to Surplus as per Statement of Profit and Loss	-	(116.14)
Depreciation as per Statement of Profit and Loss	1,368.35	1,203.42

- B) 1. Fixed Assets include assets costing ₹ 595.00 Crores (Previous Year ₹ 506.97 Crores) not owned by the Company.
2. The Company has componentized its fixed assets and has separately assessed the life of the major components, forming part of the main asset. Consequently, the depreciation charge for the year is higher by ₹ 48.92 Crores (Previous year ₹ Nil).
3. Buildings include ₹ 16.07 Crores (Previous year ₹ 16.07 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.
4. Capital Work-in-progress includes:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Pre-operative expenses pending allocation:		
Raw Materials Consumed	2.21	2.90
Power and Fuel Consumed	2.99	10.98
Salary, Wages, Bonus, Ex-gratia and Provisions	36.77	31.71
Insurance	0.55	1.17
Exchange Loss / (Gain)	0.85	(0.89)
Depreciation	3.68	2.62
Finance Costs	18.52	46.22
Miscellaneous expenses	40.42	52.17
<b>Total Pre-operative expenses</b>	<b>105.99</b>	<b>146.88</b>
Less: Sale of Products / Other Income	(3.60)	(5.09)
Less: Trial Run production transferred to Inventory	(1.27)	(11.88)
Add: Brought forward from Previous Year	200.25	195.33
Less: Capitalised / Charged during the Year	(130.41)	(124.99)
<b>Balance included in Capital Work-in-Progress</b>	<b>170.97</b>	<b>200.25</b>

## Notes to Consolidated Financial Statements

### NOTE 12 NON-CURRENT INVESTMENTS Long term (valued at cost, unless stated otherwise)

₹ in Crores

Particulars	As at March 31, 2016		As at March 31, 2015	
	Nos.	Amount (₹ Crs)	Nos.	Amount (₹ Crs)
<b>Quoted - Other Investments:</b>				
Face value of ₹ 1,000 each				
National Highways Authority of India - Tax Free Bond Series 1 - 8.20% 2022	98,895	9.89	98,895	9.89
Power Finance Corporation Limited - Tax Free Bond Series 1 - 8.20% 2022	56,958	5.70	56,958	5.70
Indian Railway Finance Corporation Limited - Tax Free Bond Series 80 A - 8.10% 2027	108,754	10.87	108,754	10.87
Housing and Urban Development Corporation Limited - Tax Free Bond Series 2 - 8.20% 2027	500,000	50.00	500,000	50.00
Indian Railway Finance Corporation Limited - Tax Free Bond Series 103 - 7.28% 2030	151,000	15.10	-	-
National Highways Authority of India - Tax Free Bond Series 2A - 7.35% 2031	428,548	42.85	-	-
Indian Renewable Energy Development Agency Limited - Tax Free Bond Series 2A - 7.49% 2031	255,450	25.55	-	-
		159.96		76.46
Face value of ₹ 1,000,000 each				
Rural Electrification Corporation Limited - Tax Free Bond Series 3 B - 8.46% 2028	90	9.83	-	-
NTPC Limited - Tax Free Bond Series 55 A - 7.15% 2025	100	10.01	-	-
National Highways Authority of India - Tax Free Bond Series 2B - 7.28% 2030	100	10.00	-	-
Indian Renewable Energy Development Agency Limited - Tax Free Bond Series XIV-C - 7.17% 2025	100	10.00	-	-
Kotak Mahindra Prime Limited - Series 1 - Par Premium Bonds (XIRR 8.75%)	1,000	100.00	-	-
		139.84		-
		299.80		76.46
<b>Unquoted:</b>				
<b>Other Investments</b>				
<b>Equity Instruments:</b>				
Face value of ₹ 10 each fully paid:				
Aditya Birla Ports Ltd	50,000	0.05	50,000	0.05
Raj Mahal Coal Mining Limited	1,000,000	1.00	1,000,000	1.00
<b>Preference Shares:</b>				
4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	2,000,000	20.00	2,000,000	20.00
<b>Government or trust securities: ₹ Nil (Previous Year ₹ 32,000), Pledged as Security Deposit</b>	-	-	-	-
<b>Debt schemes of Various Mutual Funds</b>	2,038,199,777	2,049.15	1,844,945,047	1,879.53
		2,370.00		1,977.04
<b>Aggregate Book Value of:</b>				
Quoted Investments		299.80		76.46
Unquoted Investments		2,070.20		1,900.58
		2,370.00		1,977.04
<b>Aggregate Market Value of Quoted Investments</b>		308.35		81.57

## Notes to Consolidated Financial Statements

### NOTE 13 DEFERRED TAX ASSETS (Net)

Particulars	Deferred Tax Assets / (Liabilities) as at March 31, 2016	Deferred Tax Assets / (Liabilities) as at March 31, 2015	₹ in Crores
<b>Deferred Tax Assets:</b>			
Provision allowed under tax on payment basis	0.10	0.09	
Unabsorbed Losses	30.98	29.31	
	<b>31.08</b>	<b>29.40</b>	
<b>Deferred Tax Liabilities:</b>			
Accumulated Depreciation	(20.88)	(19.76)	
	<b>(20.88)</b>	<b>(19.76)</b>	
<b>Net Deferred Tax Asset</b>	<b>10.20</b>	<b>9.64</b>	

Deferred Tax benefits are recognised on assets to the extent that it is more likely than not future taxable profit will be available against which the asset can be utilised.

### NOTE 14 LOANS AND ADVANCES

Particulars	Long-Term		Short Term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
<b>Secured, Considered good:</b>				
Loans against House Property (Secured by way of title deeds)	0.03	0.04	0.01	0.01
	<b>0.03</b>	<b>0.04</b>	<b>0.01</b>	<b>0.01</b>
<b>Unsecured, Considered good:</b>				
Capital Advances	447.90	645.82	-	-
Security Deposits	76.01	95.58	138.85	191.00
Balances with Government Authorities	195.66	223.26	382.04	360.79
Advances recoverable in cash or in kind or for value to be received	45.31	9.29	580.37	587.24
Advance Tax (net of Provision)	117.82	115.77	-	-
MAT Credit Entitlement	888.28	711.42	-	-
Loans and advances to related parties	-	-	1.66	1.86
	<b>1,770.98</b>	<b>1,801.14</b>	<b>1,102.92</b>	<b>1,140.89</b>
<b>Considered doubtful:</b>				
Advances recoverable in cash or in kind - considered doubtful	-	-	10.44	-
Less: Provision for Doubtful Advances	-	-	(10.44)	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>1,771.01</b>	<b>1,801.18</b>	<b>1,102.93</b>	<b>1,140.90</b>

## Notes to Consolidated Financial Statements

### NOTE 15 OTHER NON - CURRENT ASSETS

Particulars	₹ in Crores	
	As at March 31, 2016	As at March 31, 2015
Non-Current Bank Balance (Refer Note 19)	18.79	21.98
	18.79	21.98

### NOTE 16 CURRENT INVESTMENTS - OTHERS (At lower of cost and fair value)

Quoted:		
Investment in Government Securities	10.24	26.18
Unquoted:		
Units of Debt Schemes of Various Mutual Funds {No. of Units 1,149,942,671 (Previous year 1,716,016,317)}	2,017.37	2,496.80
	2,027.61	2,522.98
Aggregate Book Value of:		
Quoted Investments	10.24	26.18
Unquoted Investments	2,017.37	2,496.80
	2,027.61	2,522.98
Aggregate Market Value of Quoted Investments	10.24	26.18

#### Note 16.1

Current Investments include current portion of Long-term investments as per Accounting Standard 13 - "Accounting for Investments" specified under Section 133 of the Companies Act, 2013

### NOTE 17 INVENTORIES (Valued at lower of Cost and net realisable value, unless otherwise stated)

Raw Materials {includes in transit ₹ 60.41 Crs, (Previous year ₹ 32.94 Crs)}	335.14	318.50
Work-in-progress	508.89	514.58
Finished Goods {includes in transit ₹ 27.79 Crs, (Previous year ₹ 14.20 Crs)}	366.10	335.59
Stock-in-trade	0.11	-
Stores and Spares {includes in transit ₹ 8.23 Crs, (Previous year ₹ 14.20 Crs)}	1,042.92	1,032.79
Fuel {includes in transit ₹ 34.05 Crs, (Previous year ₹ 254.70 Crs)}	304.92	693.28
Packing Materials	42.35	44.38
Scrap (valued at net realisable value)	14.98	10.00
	2,615.41	2,949.12

## Notes to Consolidated Financial Statements

### NOTE 18 TRADE RECEIVABLES

Particulars	As at March 31, 2016	₹ in Crores As at March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered good	37.73	19.98
Unsecured, Considered good	64.20	72.18
Doubtful	20.61	2.16
	<u>122.54</u>	<u>94.32</u>
Less: Provision for doubtful receivables	20.61	2.16
	<u>101.93</u>	<u>92.16</u>
Others:		
Secured, Considered good	517.39	466.63
Unsecured, Considered good	1,307.26	1,100.03
	<u>1,824.65</u>	<u>1,566.66</u>
	<u>1,926.58</u>	<u>1,658.82</u>

### NOTE 19 CASH AND BANK BALANCES

Cash and Cash Equivalents		
Cash on hand	0.74	1.00
Cheques on hand	50.77	37.29
Balance with banks (Current Account) @	2,038.67	43.79
	<u>2,090.18</u>	<u>82.08</u>
Other Bank Balances		
Earmarked Balance with Bank for Unpaid Dividends	6.56	5.78
Fixed Deposits with Banks *		
Maturity more than 3 months and upto 12 months #	175.32	282.74
Maturity more than 12 months	18.79	21.98
Less: Amount disclosed under other Non-Current Assets (Refer Note 15)	(18.79)	(21.98)
	<u>175.32</u>	<u>282.74</u>
	<u>2,272.06</u>	<u>370.60</u>

@ ₹ 2,000.00 Crores (Previous year ₹ Nil) earmarked for specific purpose

\* ₹ 17.20 Crores, Lodged as Security with Government departments (Previous Year ₹ 149.45 Crores).

# ₹ 152.25 Crores for specific purpose (Previous Year ₹ Nil)

### NOTE 20 OTHER CURRENT ASSETS

Assets held for Disposal	14.45	4.24
Others (including Insurance Claim receivable, Accrued Interest, etc.)	15.53	13.69
	<u>29.98</u>	<u>17.93</u>

## Notes to Consolidated Financial Statements

### NOTE 21 SALE OF PRODUCTS AND SERVICES (GROSS)

Particulars	Year ended March 31, 2016	₹ in Crores Year ended March 31, 2015
Sale of Products	27,944.66	26,641.75
Sale of Traded Products	534.33	455.02
Sale of Services	34.52	21.69
	28,513.51	27,118.46

### NOTE 22 OTHER OPERATING REVENUES

Scrap Sales	45.99	49.34
Lease Rent	0.51	0.57
Insurance Claim	31.04	18.51
Provision no longer required	4.99	3.37
Unclaimed Credit Balances written back	31.23	19.00
Fiscal Incentives {Refer Note 49 (a)}	135.86	168.38
Miscellaneous Income / Receipts	21.53	25.04
	271.15	284.21

### NOTE 23 OTHER INCOME

Interest Income on		
Government and Other Securities	11.44	7.37
Bank and Other Accounts	50.61	29.91
	62.05	37.28
Dividend Income on Current Investments - Mutual Fund	0.09	-
Exchange Gain (net)	3.43	9.90
Profit on Sale of Fixed Assets (net)	0.17	-
Profit on Sale of Current and Non-Current Investments (net)	145.81	299.49
Refund received from Electoral Trust	0.27	-
Others	6.49	3.41
	218.31	350.08

### NOTE 24 COST OF RAW MATERIALS CONSUMED

Opening Stock	318.50	378.64
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	3.71	1.15
Add: Stock transferred from JCCL, pursuant to merger	-	(0.43)
Purchase and Incidental Expenses	3,998.99	3,680.52
	4,321.20	4,059.88
Add / (Less) : Exchange rate fluctuation on account of average rate transferred to currency translation reserve	(0.32)	0.92
Less: Closing Stock	335.14	318.50
	3,985.74	3,742.30

# Notes to Consolidated Financial Statements

## NOTE 24 COST OF RAW MATERIALS CONSUMED (contd.)

### Note 24.1 - Details of Raw Materials Consumed

Particulars	Year ended March 31, 2016	₹ in Crores Year ended March 31, 2015
Limestone	1,030.37	907.16
Fly Ash	542.94	488.43
Gypsum	347.82	327.05
Aggregates	305.04	295.75
Sand	257.75	238.72
Others	1,501.82	1,485.19
	3,985.74	3,742.30

## NOTE 25 PURCHASES OF STOCK-IN-TRADE

Grey Cement	113.47	127.67
Others	339.74	281.08
	453.21	408.75

## NOTE 26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Closing Inventories		
Work-in-progress	508.89	514.58
Finished Goods	356.32	328.84
Add / (Less) : Exchange rate fluctuation on account of average rate transferred to currency translation reserve	0.40	(0.60)
	865.61	842.82
Opening Inventories		
Work-in-progress	514.58	350.33
Finished Goods	328.84	366.55
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	2.31	0.99
Add: Stock transferred from JCCL, pursuant to merger	-	14.14
	845.73	732.01
Increase in Inventories	(19.88)	(110.81)
Add: Decrease / (Increase) in Excise Duty on Inventories	5.50	(1.95)
Add: Stock Transfer from Pre-Operative Account	1.27	11.88
	(13.11)	(100.88)

## NOTE 27 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	1,269.93	1,134.17
Contribution to Provident and Other Funds	83.25	91.15
Expenses on Employees Stock Options Scheme	5.38	4.89
Staff Welfare Expenses	84.78	78.08
	1,443.34	1,308.29

## Notes to Consolidated Financial Statements

### NOTE 28 FREIGHT AND FORWARDING EXPENSE

Particulars	Year ended March 31, 2016	₹ in Crores Year ended March 31, 2015
On Finished Products	5,151.32	4,738.05
On Clinker Transfer	822.60	680.39
	5,973.92	5,418.44

### NOTE 29 OTHER EXPENSES

Consumption of Stores, Spare Parts and Components	696.94	668.31
Consumption of Packing Materials	749.97	765.48
Repairs to Plant and Machinery	365.33	309.98
Repairs to Buildings	55.36	56.97
Repairs to Others	124.72	107.94
Insurance	58.92	50.08
Rent (including Lease Rent)	145.73	131.70
Rates and Taxes	145.78	146.08
Directors' Fees	0.37	0.32
Provision for Diminution in value of Investments	-	1.87
Directors' commission	21.15	21.15
Contribution for Political Party (General Electoral Trust)	-	53.95
Advertisement	183.52	160.01
Discount, Sales Promotion and Other Selling Expenses	1,085.32	1,033.79
Exchange Loss (net)	0.08	-
Miscellaneous Expenses	641.99	556.05
	4,275.18	4,063.68

### NOTE 30 FINANCE COSTS

Interest Expense:		
On Borrowings {Refer Note 49 (b)}	509.79	564.74
Others	65.89	63.35
	575.68	628.09
Other Borrowing Cost	2.77	4.64
Less: Finance Costs Capitalised	(18.52)	(46.22)
	559.93	586.51

### NOTE 31 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation and Amortisation	1,309.36	1,166.11
Obsolescence	58.99	37.31
	1,368.35	1,203.42

# Notes to Consolidated Financial Statements

## Note 32 - Principles of Consolidation:

- (a) The Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Accounting Standard on "Consolidated Financial Statements" (AS – 21), and "Financial Reporting of Interest in Joint Ventures" (AS – 27), specified under Section 133 of the Companies Act, 2013:
- (i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating material intra-group balances and intra-group transactions and resulting unrealised profits or losses on intra-group transactions.
  - (ii) The difference between the cost of investment in the subsidiaries and the Company's share of net assets at the time of acquisition of the share in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
  - (iii) The Company's interest in Jointly Controlled Entities (JV's) is consolidated on a proportionate consolidation basis by adding together the proportionate book values of assets, liabilities, income and expenses and eliminating material intra-group balances and intra-group transactions and resulting unrealised profits or losses on intra-group transactions.
  - (iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company's standalone financial statements.
  - (v) The financial statements of the Company, its Subsidiaries and JV's used in the consolidation are drawn upto the same reporting date i.e. March 31, 2016.
  - (vi) Financial Statements of foreign Subsidiaries have been re-stated in Indian Rupees considering them as non-integral part of the Group's operations and the resultant exchange gain/ loss on conversion has been carried forward as foreign currency translation reserve untilt its disposal. The Consolidated Financial Statements are comprised of financial statements of UltraTech Cement Limited, its Subsidiaries and its interest in JV's (Group) as at March 31, 2016, which are as under:

Name of the Company	Country of Incorporation	% Shareholding and Voting Power	
		As at March 31, 2016	As at March 31, 2015
<b>(I) Subsidiary Companies:</b>			
(a) Dakshin Cements Limited	India	100%	100%
(b) UltraTech Cement Lanka Private Limited	Sri Lanka	80%	80%
(c) Harish Cement Limited	India	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80%!	80%!
(e) PT UltraTech Investments Indonesia	Indonesia	100%&	100%&
(f) UltraTech Cement SA (PTY)	South Africa	100%	100%
(g) UltraTech Cement Middle East Investments Limited (UCMEIL)	UAE	100%	100%
(h) Star Cement Co. LLC, Dubai*	UAE	100%\$	100%\$
(i) Star Cement Co. LLC, Ras-Al-Khaimah*	UAE	100%\$	100%\$
(j) Al Nakhla Crusher LLC, Fujairah*	UAE	100%\$	100%\$
(k) Arabian Cement Industry LLC, Abu Dhabi*	UAE	100%\$	100%\$
(l) Arabian Gulf Cement Co W.L.L, Bahrain*	Bahrain	100% ^	100% ^
(m) Emirates Power Company Limited, Bangladesh*	Bangladesh	100%	100%

# Notes to Consolidated Financial Statements

## Note 32 - Principles of Consolidation: (contd.)

Name of the Company	Country of Incorporation	% Shareholding and Voting Power	
		As at March 31, 2016	As at March 31, 2015
(n) Emirates Cement Bangladesh Limited, Bangladesh*	Bangladesh	100%	100%
(o) Bhagwati Lime Stone Company Private Limited (BLCPL)	India	100%	100%
(p) Awam Minerals LLC , Oman *	Oman	51%	51%
(q) UltraTech Cement Mozambique Limitada, Mozambique*	Mozambique	100% @	100% @
(r) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(s) PT UltraTech Cement Indonesia#	Indonesia	99%	99%
(t) PT UltraTech Mining Sumatera #	Indonesia	100%	100%
<b>(II) Joint Ventures:</b>			
(a) Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
(b) Bhaskarpura Coal Company Limited (BCCL)	India	47.37%	47.37%

! 4% Shareholding of UCMEIL.

& 5% Shareholding of UCMEIL.

\* Subsidiaries of UCMEIL.

\$ 51% held by nominee as required by local law for beneficial interest of the group.

^ 1 share held by employee as nominee for the beneficial interest of the group.

@ 90% Shareholding of UCMEIL.

# Subsidiary of PT UltraTech Investments Indonesia.

## Note 33

Notes on Accounts of the financial statements of the Company, its Subsidiaries and its interest in Joint Ventures are set out in their respective financial statements.

## Note 34 - Goodwill on Consolidation:

Goodwill represents the difference between the Group's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

Goodwill arising out of an acquisition of equity stake in a foreign subsidiary is translated at the closing rate on each Balance Sheet date as per AS 11 "The Effects of Changes in Foreign Exchange Rates" specified under Section 133 of the act.

Goodwill on consolidation arising in case of subsidiary having mining rights is amortised in proportion to the quantity extracted during the period out of the total estimated mineral reserve size. The total estimated reserve size is reviewed periodically, on the basis of technical estimates.

Reserves shown in the consolidated balance sheet represents the group's share in the respective reserves of the Group companies.

# Notes to Consolidated Financial Statements

## Note 35 (a) - Contingent Liabilities not provided for in respect of:

Claims not acknowledged as debts in respect of matters in appeals	As at March 31, 2016	₹ in Crores As at March 31, 2015
(a) Sales-tax / VAT Matters	320.32	307.27
(b) Excise Duty and Service Tax Matters	878.06	726.06
(c) Royalty on Limestone/ Marl / Shale	314.10	294.58
(d) Customs	125.69	121.61
(e) Others	514.61	325.89

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

## Note 35 (b)

The Company has issued corporate guarantees as under:

- I. In favour of the Bankers / Lenders on behalf of its Joint Venture (JV) for general corporate purpose :
  - ✓ Bhaskarpara Coal Company Limited (JV) ₹ 4.00 Crores (Previous year ₹ 4.00 Crores).
- II. In favour of the Government Authority on behalf of one of the Company's Units for an amount not exceeding ₹ 3.00 Crores (Previous year ₹ 3.00 Crores) towards exemption for payment of excise duty.
- III. In favour of the Bank, for assistance in arrangement of interest bearing loan of ₹ 500 crores (Previous year ₹ 500 Crores) to Jaiprakash Associates Ltd. as per their request with approval of Board.

## Note 35 (c)

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

UCLPL filed a Writ Application in the Court of Appeal in seeking inter alia to quash the aforesaid decision by Sri Lanka Customs to hold the said inquiry. However, the application was dismissed by the Court of Appeal on March 28, 2014. UCLPL filed a Special Leave Application in the Supreme Court against the judgment of the Court of Appeal in the above Writ Application which is currently pending before the Supreme Court which was taken before the Supreme Court on May 11, 2015 and is due to be called before the Supreme Court again on June 10, 2016.

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

## Note 36 - Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 953.01 Crores. (Previous Year ₹ 1,467.67 Crores).

## Note 37

The Competition Commission of India ("CCI") had upheld the complaint of alleged cartelisation against certain manufacturing companies including the Company by its order dated June 20, 2012 and had imposed a penalty of ₹ 1,175.49 crores on the Company. The Company filed an appeal against the order before the Competition Appellate Tribunal ("COMPAT"). COMPAT granted stay on the CCI order on condition that the Company deposit 10% of the penalty, amounting to ₹ 117.55 crores, which has been deposited. COMPAT by its order dated December 11, 2015 set aside the aforementioned CCI order and remitted the matter to CCI for fresh adjudication of the issues and passing of fresh order. Further, COMPAT has allowed withdrawal of the amount deposited by the Company in compliance with the COMPAT interim order, which has since been refunded.

# Notes to Consolidated Financial Statements

## Note 38

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease within one month of receipt of the order and thereafter pass appropriate order in respect of the mining lease of GKUPL. Till such a decision is taken, status quo is to be maintained.

## Note 39

The Supreme Court of India by its judgement dated August 25, 2014 read with its Order dated September 24, 2014 cancelled 204 coal blocks which had been allocated earlier for the purposes of mining coal for captive consumption. These include two coal blocks allotted to the Company jointly with others, viz. Bhaskarpura and Madanpur (North) in Chhattisgarh. No mining activity has commenced on these blocks and the cancellation will not have any material adverse impact on the Company.

As regards its investment in the cancelled coal blocks, the Company is likely to recover the majority of the amount from the new allottee, once the auction will be conducted for the above mines in terms of the ordinances promulgated by the Central Government.

## Note 40 – Acquisition of cement units of Jaiprakash Associates Limited in Madhya Pradesh:

The Board of Directors of the Company had approved acquisition of the cement units of Jaiprakash Associates Limited ("JAL") situated at Bela and Siddhi in Madhya Pradesh having cement capacity of 4.9 MTPA. The effectiveness of the Scheme was inter-alia subject to the sanction of the Hon'ble Bombay High Court ("high court"). During the course of hearing for sanction of the Scheme, the high court has indicated that based on the provisions of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 ("amended MMDR Act") only mining leases granted under an auction could be transferred. Since the mining leases which form part of the business to be transferred to the Company from JAL were allotted to JAL and not granted under an auction, the same could not, in terms of the amended MMDR Act, be transferred. Under the circumstances, the Company applied for withdrawal of the Scheme filed before the High Court, which has been permitted.

## Note 41 - "Acquisition of identified cement units of Jaiprakash Associates Limited"

The Board of Directors at its meeting on March 31, 2016 approved signing of definitive agreements for the acquisition of identified cement plants of Jaiprakash Associates Limited ("JAL") and its subsidiaries in the states of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh having cement capacity of 21.20 MTPA at an enterprise value of ₹ 15,900 Crores. The transaction is subject to necessary regulatory approval.

## Note 42 - Derivative Instruments Outstanding:

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

In Crores

Particulars	Purpose	Currency	As at March 31, 2016	As at March 31, 2015	Cross Currency
a. Forward Contracts	Imports	USD	3.29	2.54	Rupees
	ECB*	USD	0.10	-	Rupees
	ECB*	JPY	-	30.00	USD
	EPC ^	USD	1.45	-	Rupees
	Imports	Euro	1.27	0.21	USD
b. Other Derivatives:					
i. Currency & Interest Rate Swap (CIRS)	ECB*	USD	35.78	40.28	Rupees
	ECB*	JPY	546.64	816.64	Rupees
ii. Principal only Swap	ECB*	JPY	-	540.00	USD
	ECB*	USD	8.64	14.51	Rupees

# Notes to Consolidated Financial Statements

## Note 42 - Derivative Instruments Outstanding: (contd.)

(B) Derivatives for hedging South African Coal price risk (from floating price to fixed price), outstanding are as under: In Crores					
Particulars	Purpose	Quantity Hedged (Metric Tonne)	Currency	As at March 31, 2016	As at March 31, 2015
South African Coal Fixed Price Swaps	Hedging floating price risk	1500 (Previous Year: 500,000)	USD	0.03	2.93

(C) Un-hedged Foreign Currency Exposure: In Crores					
Particulars	Currency	As at March 31, 2016	As at March 31, 2015	Cross Currency	
Net Import Payable	EURO	-	0.07	USD	

\*ECB- External Commercial Borrowings

^EPC- Export Packing Credit

## Note 43 -Employee Benefits:

(A) Defined Benefit Plans as per Actuarial Valuation: ₹ in Crores										
Particulars	As at March 31, 2016				As at March 31, 2015					
	Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits		
	Funded	Others			Funded	Others				
(i) Change in defined benefit obligation										
Opening Balance of Present value of Defined Benefit Obligation	310.58	1.56	7.91	0.56	258.80	1.18	7.49	0.53		
Adjustment of:										
Current Service Cost	26.01	0.18	-	-	20.91	0.12	-	-		
Interest Cost	26.05	0.14	0.59	0.04	24.58	0.12	0.64	0.04		
Actuarial Losses /(Gain)	7.62	(0.14)	0.04	0.02	18.24	0.18	0.69	0.01		
Liability transferred from JCCL pursuant to Scheme of Arrangement	-	-	-	-	1.43	-	-	-		
Benefits Paid	(15.14)	(0.32)	(0.91)	(0.05)	(13.38)	(0.04)	(0.91)	(0.02)		
Closing Balance of Present value of Defined Benefit Obligation	355.12	1.42	7.63	0.57	310.58	1.56	7.91	0.56		
(ii) Change in Fair Value of Assets										
Opening Balance of Fair Value of Plan Assets	310.58	-			277.20	-	-	-		
Adjustment of:										
Expected Return on Plan Assets	24.57	-			21.69	-	-	-		
Actuarial Gain	5.10	-	-	-	3.62	-	-	-		
Contribution by the employer	30.01	-	0.91	0.05	20.02	-	0.91	0.02		
Assets transferred from JCCL pursuant to Scheme of Arrangement	-	-	-	-	1.43	-	-	-		
Benefits Paid	(15.14)	-	(0.91)	(0.05)	(13.38)	-	(0.91)	(0.02)		
Closing Balance of Fair Value of Plan Assets	355.12	-	-	-	310.58	-	-	-		

# Notes to Consolidated Financial Statements

## Note 43 -Employee Benefits: (contd.)

### (A) Defined Benefit Plans as per Actuarial Valuation:

₹ in Crores

Particulars	As at March 31, 2016				As at March 31, 2015			
	Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
	Funded	Others			Funded	Others		
(iii) Net Asset / (Liability) recognised in the Balance Sheet								
Present value of Defined Benefit Obligation	(355.12)	(1.42)	(7.63)	(0.57)	(310.58)	(1.56)	(7.91)	(0.56)
Fair Value of Plan Asset	355.12	-	-	-	310.58	-	-	-
Net Asset / (Liability) in the Balance Sheet	-	(1.42)	(7.63)	(0.57)	-	(1.56)	(7.91)	(0.56)
(iv) Expenses recognised in the Statement of Profit and Loss								
Current Service Cost	26.01	0.18	-	-	20.91	0.12	-	-
Interest Cost	26.05	0.14	0.59	0.04	24.58	0.12	0.64	0.04
Expected Return on Plan Assets	(24.57)		-	-	(21.69)	-	-	-
Actuarial (Gain)/Losses	2.52	(0.14)	0.04	0.02	14.62	0.18	0.69	0.01
Total Expense	30.01	0.18	0.63	0.06	38.42	0.42	1.33	0.05
Add/(Less): Transferred to/from Pre-operative Expenses	(0.23)	-	-	-	(0.28)	-	-	-
Total expenses charged to Statement of Profit and Loss	29.78	0.18	0.63	0.06	38.14	0.42	1.33	0.05
(v) The major categories of plan assets as a percentage of total plan								
Insurer Managed Funds	100%	N.A.	N.A.	N.A.	100%	N.A.	N.A.	N.A.
Total	100%	N.A.	N.A.	N.A.	100%	N.A.	N.A.	N.A.
(vi) Actuarial Assumptions:								
Discount Rate (p.a.)	8.15%	10.00%	8.15/ 8.06%	8.15%	8.00%	9.00%	8.00%	8.00%
Expected Return on Plan Assets (p.a.)	8.00%	-	-	-	8.00%	-	-	-
Turnover Rate	1%-2%	-			1% - 2%	-	-	-
Mortality tables	Indian Assured Lives Mortality (2006-08)	GA 1983 Mortality table	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably	Indian Assured Lives Mortality (2006-08)	GA 1983 Mortality table	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably
Salary Escalation Rate (p.a.)	8.00%	10.0%	-	-	8.00%	10.0%	-	-
Retirement age :								
Management -	60 Yrs	55 Yrs	-	-	60 Yrs	55 Yrs	-	-
Non-Management-	58 Yrs		-	-	58 Yrs		-	-
Leaving Service:								
Age : 21-44	2%	-	-	-	2%	-	-	-
Age: 45 & above	1%	-	-	-	1%	-	-	-

### (vii) Basis used to determine Expected Rate of Return on Plan Assets:

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

### (viii) Salary Escalation Rate:

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

# Notes to Consolidated Financial Statements

## Note 43 - Employee Benefits: (contd.)

### (ix) Experience Adjustments:

#### (a) Gratuity (Funded):

Particulars	2011-12	2012-13	2013-14	2014-15	₹ in Crores 2015-16
Defined Benefit Obligation	207.06	247.23	258.80	310.58	355.12
Fair Value of Plan Assets	207.05	245.94	277.20	310.58	355.12
Surplus/(Deficit)	(0.01)	(1.29)	18.40	-	-
Expected Adjustments on Plan Liabilities	10.49	3.60	(0.86)	(2.03)	13.14
Expected Adjustments on Plan Assets	2.70	3.63	5.37	3.62	5.10

#### (b) Pension Liabilities:

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Defined Benefit Obligation	8.12	8.15	7.49	7.91	7.63
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(8.12)	(8.15)	(7.49)	(7.91)	(7.63)
Experience Adjustments on Plan Liabilities	0.09	0.28	0.21	₹ 48,835	0.16

#### (c) Post-Retirement Medical Scheme Liabilities:

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Defined Benefit Obligation	0.56	0.58	0.53	0.56	0.57
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(0.56)	(0.58)	(0.53)	(0.56)	(0.57)
Experience Adjustments on Plan Liabilities	(0.01)	(₹ 4,810)	₹ 2,322	(0.04)	0.02

(x) The Company's expected contribution during next year is ₹ 21.06 Crores. (Previous Year ₹ 16.05 Crores)

### (B) Defined Contribution Plans:

Amount recognised as an expense and included in Note 27 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 66.13 Crores (Previous Year ₹ 63.49 Crores).

(C) Amount recognised as an expense in respect of Compensated Absences is ₹ 29.85 Crores. (Previous Year ₹ 34.58 Crores)

(D) Amount recognised as expense for other long term employee benefits is ₹ 0.67 Crores. (Previous Year ₹ 0.55 Crore)

## Note 44 - Segment Reporting:

The Company is exclusively engaged in the business of cement and cement related products. As per AS 17 "Segment Reporting", specified under Section 133 of the Companies Act, 2013, there are no reportable business and geographical segment applicable to the Company.

## Notes to Consolidated Financial Statements

**Note 45 - Disclosure of related parties / related party transactions** (As per AS-18 "Related party Disclosures" specified under Section 133 of the Companies Act, 2013):

(a) Names of Related parties with whom transactions were carried out during the year and description of relationship:

Parties	Relationship
Grasim Industries Limited	Holding Company
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Grasim Bhiwani Textiles Limited	Fellow Subsidiary
Mr. O.P. Puranmalka, Managing Director (Till 31st March 2016)	Key Management Personnel (KMP)
Mrs. Sita Puranmalka (Till 31st March 2016)	Relative of KMP (Wife)

(b) Disclosure of related party transactions:

Nature of Transactions	Year ended March 31 , 2016	Year ended March 31 , 2015
<b>Sale of Goods:</b>		₹ in Crores
Grasim Industries Limited	5.42	7.87
Grasim Bhiwani Textiles Limited	0.07	0.07
<b>Total</b>	<b>5.49</b>	<b>7.94</b>
<b>Purchase of Goods:</b>		
Grasim Industries Limited	2.34	2.18
Grasim Bhiwani Textiles Limited	0.03	0.14
<b>Total</b>	<b>2.37</b>	<b>2.32</b>
<b>Sale of Fixed Assets</b>		
Grasim Industries Limited	0.04	-
<b>Purchase of Fixed Assets</b>		
Grasim Industries Limited	0.03	-
<b>Receiving of Services:</b>		
Grasim Industries Limited	0.94	0.91
Samruddhi Swastik Trading & Investment Limited	0.48	0.47
Key Management Personnel	9.13	7.42
Relative of Key Management Personnel	0.23	0.21
<b>Total</b>	<b>10.78</b>	<b>9.01</b>
<b>Dividend Paid</b>		
Grasim Industries Limited	148.80	148.80

(c) Outstanding balances:

Particulars	As at March 31 , 2016	As at March 31 , 2015
<b>Loans and Advances:</b>		
Grasim Industries Limited	-	0.18
Samruddhi Swastik Trading & Investment Limited	0.35	0.37
<b>Total</b>	<b>0.35</b>	<b>0.55</b>
<b>Other Current Liabilities:</b>		
Grasim Industries Limited	0.01	-
<b>Deposit:</b>		
Relative of Key Management Personnel	0.98	0.98

# Notes to Consolidated Financial Statements

## Note 46 - Earnings per Share (EPS):

	₹ in Crores	
Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
<b>(A) Basic EPS:</b>		
(i) Net Profit attributable to Equity Shareholders	2,286.58	2,098.34
(ii) Weighted average number of Equity Shares outstanding (Nos.)	274,412,456	274,353,251
<b>Basic EPS (₹ ) (i)/(ii)</b>	<b>83.33</b>	76.48
<b>(B) Diluted EPS:</b>		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	274,412,456	274,353,251
(ii) Add: Potential Equity Shares on exercise of option (Nos.)	156,017	167,585
(iii) Weighted average number of Equity Shares Outstanding for calculation of Diluted EPS (i+ii) (Nos.)	274,568,473	274,520,836
<b>Diluted EPS (₹ ) {(A) (i) /(B) (iii)}</b>	<b>83.28</b>	76.44
<b>(C) Face value of Shares (₹ )</b>	<b>10</b>	10

## Note 47

The Company's proportionate share in Assets, Liabilities, Income and Expenses of its Joint Venture companies included in these Consolidated Financial Statements are given below:

### (a) BALANCE SHEET

Particulars	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	9.29	9.29
Reserves and Surplus	(2.04)	(0.26)
Share Application Money Pending Allotment	1.18	1.23
<b>Total</b>	<b>8.43</b>	10.26
<b>Current Liabilities</b>		
Other Current Liabilities	0.01	0.01
<b>TOTAL</b>	<b>8.44</b>	10.27
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	3.30	3.31
Capital Work-in-Progress	3.73	6.32
Intangible Assets	0.85	-
	7.88	9.63
<b>Long-term Loans Advances</b>	-	0.01
<b>Current Assets</b>		
Cash and Bank Balances	0.43	0.49
Short term Loans and Advances	0.01	0.02
Other Current Assets	0.12	0.12
	0.56	0.63
<b>TOTAL</b>	<b>8.44</b>	10.27

## Notes to Consolidated Financial Statements

### Note 47 (contd.)

#### (b) STATEMENT OF PROFIT AND LOSS

Particulars	Year ended March 31, 2016	₹ in Crores Year ended March 31, 2015
Other Income	0.03	-
Total Income	0.03	
Expenses		
Other Expenses	0.02	-
Total expenditure	0.02	-
Profit Before Tax	0.01	-
Profit After Tax	-	-

#### Note 48 - Auditors' remuneration (excluding service tax) and expenses:

Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
(a) Statutory Auditors:		
Audit fees (including quarterly Limited Review)	3.40	3.46
Tax audit fees	0.15	0.13
Fees for other services	0.11	0.09
Expenses reimbursed	0.03	0.01
(b) Branch Auditors:		
Audit fees (including quarterly Limited Review)	-	0.09
(c) Cost Auditors:		
Audit fees	0.16	0.15
Fees for other services (₹ 25,000 Previous Year - ₹ 25,000)	-	-
Expenses reimbursed	0.01	-

### Note 49

- (a) Other Operating Revenues include VAT Refund, under State Investment Promotion Scheme of ₹ 135.86 Crores (Previous Year ₹ 168.38 Crores).
- (b) Interest and Wages Expenses are net of subsidy received, under State Investment Promotion Scheme of ₹ 65.10 Crores (Previous Year ₹ 66.07 Crores) and ₹ 7.11 Crores (Previous Year ₹ 6.57 Crores) respectively.

# Notes to Consolidated Financial Statements

## Note 50 - Operating Lease

Sr. No.	Particulars	₹ In Crores	
		Year ended March 31 , 2016	Year ended March 31 , 2015
(a)	Future minimum rental payables under non-cancellable operating lease		
(i)	Not later than one year	1.94	1.84
(ii)	Later than one year and not later than five years	7.75	9.68
(iii)	More than five years	-	-

- (b) Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 145.73 Crores (Previous Year ₹ 102.02 Crores)
- (c) General Description of leasing agreements:
- (i) Leased Assets: Godowns, Offices, Flats, Machinery & Others.
  - (ii) Future Lease rentals are determined on the basis of agreed terms.
  - (iii) At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
  - (iv) Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

## Note 51

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 46.27 Crores (Previous Year ₹ 40.35 Crores) and on account of capital expenditure is ₹ 4.62 Crores (Previous Year ₹ 4.11 Crores).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2016 is ₹ 57.82 Crores i.e 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

## Note 52

Sr. No.	Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit / loss	Amount (₹ Crores)
1	Parent	95.81%	20,191.49	94.12%	2,152.12
2	Subsidiaries Indian				
	(i) Dakshin Cements Limited	0.00%	₹ (5960)	0.00%	₹ (6,991)
	(ii) Harish Cement Limited	0.73%	153.66	0.00%	-
	(iii) Bhagwati Lime Stone Company Private Limited				
	(iv) Gotan Lime Stone Khanij Udyog Private Limited				
3	Foreign				
	(i) UltraTech Cement Lanka (Private) Limited	0.34%	71.53	1.11%	25.45
	(ii) UltraTech Cement Middle East Investments Limited	2.83%	595.93	4.91%	112.35
	(iii) PT UltraTech Mining Indonesia	0.02%	4.60	0.00%	0.04
	(iv) PT UltraTech Investment Indonesia	0.04%	8.88	-0.04%	(0.97)

## Notes to Consolidated Financial Statements

### Note 52 (contd.)

Sr. No.	Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit / loss	Amount (₹ Crores)
4	<b>Minority Interest</b>				
	<b>Foreign</b>				
	(i) UltraTech Cement Lanka (Private) Limited	0.08%	16.15	0.22%	5.09
	(ii) UltraTech Cement Middle East Investments Limited	-0.01%	(1.84)	-0.15%	(3.49)
	(iii) PT UltraTech Mining Indonesia	0.01%	1.15	0.00%	0.01
	(iv) PT UltraTech Investment Indonesia	0.00%	(0.01)	0.00%	(0.01)
5	<b>Joint Venture</b>				
	(i) Madanpur (North) Coal Company (P) Limited	0.00%	1.04	0.00%	0.01
	(ii) Bhaskarpura Coal Company Limited	0.04%	7.39	0.00%	(0.01)
	<b>Total</b>	<b>100.00%</b>	<b>21,073.83</b>	<b>100.00%</b>	<b>2,286.56</b>

### Note 53

The Company has granted 745,852 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

#### A) Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Method of Accounting	Intrinsic Value	Intrinsic Value	Intrinsic Value			Intrinsic Value
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year		As per the Terms of Scheme	As per the Terms of Scheme
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Grant Price (₹ per share)	606	794	655	709*	1,061*	974
Market Price on the date of Grant of Option (₹ per share)	853	794	994	-*	-*	1424
Discount on Average Price	30.00%	1.98%	30.00%	-	-	30.00%

\*Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Company.

# Notes to Consolidated Financial Statements

## Note 53 (contd.)

### B) Employee Stock Option Scheme (ESOS 2013):

Particulars	Tranche I		Tranche II		Tranche III		Tranche VI	
	Restricted Stock Units (RSU)	Stock Options	Restricted Stock Units (RSU)	Stock Options	Restricted Stock Units (RSU)	Stock Options	Restricted Stock Units (RSUS)	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280	9,059	25,645
Method of Accounting	Intrinsic Value							
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year	100% on 18.10.2017	Graded Vesting - 25% every year	100% on 28.01.2018	Graded Vesting - 25% every year	100% on 19.10.2018	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting							
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015	19.10.2015	19.10.2015
Grant Price (₹ per share)	10	1,965	10	2,318	10	3,122	10	2,955
Market Price on the date of Grant of Option (₹ per share)	1,965	1,965	2,318	2,318	3,122	3,122	2,955	2,955

### C) Movement of Options Granted including RSU:

Nos.

Particulars	As at March 31 , 2016	As at March 31 , 2015
Outstanding at the beginning of the year	324,869	388,462
Granted during the year	34,704	55,670
Exercised during the year	(26,750)	(21,597)
Forfeited during the year	(16,862)	(97,666)
Outstanding at the end of the year	315,961	324,869

The weighted average price at the date of exercise for options was ₹ 1938.53 per share.

### D) Movement of Exercisable Options:

Nos.

Particulars	As at March 31 , 2016	As at March 31 , 2015
Exercisable at the beginning of the year	40,911	49,105
Vested during the year	68,974	13,403
Exercised during the year	(26,750)	(21,597)
Vested Options Forfeited	(1)	-
Options exercisable at the end of the year	83,134	40,911

# Notes to Consolidated Financial Statements

## Note 53 (contd.)

### (e) Fair Valuation:

The fair value of options used to compute proforma net income and earnings per equity share have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

#### (a) For ESOS 2006:

- |                                |   |
|--------------------------------|---|
| 1. Risk Free Rate              | - 8% (Tranche I-V), 8.14% (Tranche VI)  |
| 2. Option Life                 | - Vesting period (1 Year) + Average of exercise period  |
| 3. Expected Volatility         | - Tranche-I: 0.49, Tranche-II: 0.52, Tranche-III: 0.30, Tranche-IV: 0.30, Tranche-V: 0.30, Tranche-VI: 0.25 |
| 4. Expected Growth in Dividend | - 20%   |

#### (b) For ESOS 2013:

- |                                |   |
|--------------------------------|---|
| 1. Risk Free Rate              | - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV)   |
| 2. Option Life                 | - (a) For Options - Vesting period (1 Year) + Average of exercise period<br>(b) For RSU – Vesting period (3 Years) + Average of exercise period |
| 3. Expected Volatility         | - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60  |
| 4. Expected Growth in Dividend | - Tranche -I: 20%, Tranche II-III: 15%, Tranche IV: 5%  |

The weighted average fair value of the option, as on the date of grant for ESOS 2006 works out to be ₹ 476 per stock option and for ESOS 2013 works out to be ₹ 1158 per stock option.

Had the compensation cost for the stock options granted under above Schemed has been determined, based on fair-value approach, the Company's net profit and earnings per share would have been as per the proforma amounts indicated below:

Particulars	₹ In Crores	
	Year ended March 31 , 2016	Year ended March 31 , 2015
Net Profit	2,286.58	2,098.34
Add: Compensation Expenses under ESOS included in the Net Profit	5.38	4.89
Less: Compensation Expenses under ESOS as per Fair Value	(10.15)	(8.76)
<b>Net Profit (Fair value basis)</b>	<b>2,281.81</b>	<b>2,094.47</b>
Basic Earnings Per Share (Reported) – ₹ / Share	83.33	76.48
<b>Basic Earnings Per Share (Fair value basis) – ₹ / Share</b>	<b>83.15</b>	<b>76.34</b>
Diluted Earnings Per Share (Reported) – ₹ / Share	83.28	76.44
<b>Diluted Earnings Per Share (Fair value basis) – ₹ / Share</b>	<b>83.11</b>	<b>76.30</b>

## Note 54

Figures pertaining to the subsidiary companies and Joint Venture have been reclassified wherever necessary to bring them in line with the Holding Company's financial statements.

# Notes to Consolidated Financial Statements

## Note 55 - Dividends remitted in Foreign Currency to Non-Resident Shareholders:

### (i) Remittance in foreign currency

Sr. No.	Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
1	Dividend for the year ended	31.03.2015	31.03.2014
2	Number of Non Resident Equity Shareholders	163	163
3	Number of Shares held by them	1,510,768	1,510,768
4	Amount remitted as dividend ( ₹ Crores)	1.36	1.36

- (ii) Except for the above equity shareholders, the Company has not made any remittance in foreign currency on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident equity shareholders.
- (iii) The particulars of non-resident equity shareholders and the amount of dividends paid to them are as under:

Sr. No.	Particulars	Year ended March 31 , 2016	Year ended March 31 , 2015
1	Equity Dividend for the year ended	31.03.2016	31.03.2015
2	Number of Non Resident Equity Shareholders including those under (i) above	7,468	7,198
3	Number of Shares held by them	59,202,541	61,981,543
4	Amount paid as dividend ( ₹ Crores)	53.28	55.79

## Note 56

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

## Note 57

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

Signatures to Note '1' to '57'

In terms of our report attached.

For and on behalf of the Board

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For G.P. Kapadia & Co.  
Chartered Accountants  
Firm Registration No: 104768W

K.K.MAHESHWARI  
Managing Director

R. C. BHARGAVA  
G. M. DAVE  
Directors

VIKAS R KASAT  
Partner  
Membership No: 105317

ATUL B. DESAI  
Partner  
Membership No: 30850

ATUL DAGA  
Chief Financial Officer

Mumbai, April 25, 2016

S. K. CHATTERJEE  
Company Secretary

## Notes

## Notes



## Every construction is your style statement

Every structure you build is an everlasting statement to your expertise and effort. Make it a tribute to your creativity; a hallmark of your imagination; a statement of your aesthetic style. When you build to last forever, why build ordinary. Build beautiful.

**UltraTech**  
**C E M E N T**  
*The Engineer's Choice*



UltraTech Cement Limited  
B Wing, Ahura Centre, 2<sup>nd</sup> Floor,  
Mahakali Caves Road,  
Andheri (East), Mumbai - 400 093

[www.ultratechcement.com](http://www.ultratechcement.com)



## UltraTech Cement Limited

Registered Office: 'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093

Tel No.: 022-66917800/29267800, Fax No.: 022-66928109, website: [www.ultratechcement.com](http://www.ultratechcement.com)

CIN: L26940MH2000PLC128420

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixteenth Annual General Meeting of UltraTech Cement Limited will be held at Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Tuesday, 19<sup>th</sup> July, 2016 at 3:30 pm to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31<sup>st</sup> March, 2016 and the Reports of Directors' and Auditors' thereon.
2. To declare dividend on equity shares for the year ended 31<sup>st</sup> March, 2016.
3. To appoint a Director in place of Mrs. Rajashree Birla (DIN: 00022995), who retires by rotation and, being eligible, offers herself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 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 Company hereby ratifies the appointment of BSR & Co. LLP, Chartered Accountants, Mumbai (Registration No.: 101248W/W-100022) as one of the Joint Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

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

"RESOLVED THAT pursuant to the provisions of Section 139 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), M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai (Registration No.: 105146W) be and is hereby appointed as one of the Joint Statutory Auditor of the Company in place of M/s. G. P. Kapadia & Co., Chartered Accountants, Mumbai (Registration No.: 104768W), the retiring Joint Statutory Auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 21<sup>st</sup> Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting till the 20<sup>th</sup> Annual General Meeting, at such remuneration plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

### SPECIAL BUSINESS:

6. 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 Cost Auditors viz. M/s. N. I. Mehta & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2017 be paid the remuneration as set out below:

- M/s. N. I. Mehta & Co., Cost Accountants, Mumbai— ₹ 8,25,000/- (rupees eight lacs twenty five thousand only)
- M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad— ₹ 9,00,000/- (rupees nine lacs only)

plus service tax as applicable and reimbursement of out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary 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 Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Krishna Kishore Maheshwari (DIN: 00017572), who was appointed as an Additional Director by the Board of Directors of the Company and who holds office as such up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Krishna Kishore Maheshwari

(DIN: 00017572) as the Managing Director of the Company for the period and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. K. K. Maheshwari in the best interests of the Company and as may be permissible at law, viz.:

A. Period:

4 years w.e.f. 1<sup>st</sup> April, 2016 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.

B. Remuneration:

- i. Basic Salary: ₹ 17,43,000/- (rupees seventeen lacs forty three thousand only) per month with such increments as the Board may decide from time to time, subject however to a ceiling of ₹ 35,00,000/- (rupees thirty five lacs only) per month as Basic Salary.
  - ii. Special Allowance: ₹ 21,56,250/- (rupees twenty one lacs fifty six thousand two hundred fifty only) per month with such increments as the Board may decide from time to time, subject however to a ceiling of ₹ 45,00,000/- (rupees forty five lacs only) per month. This allowance however, will not be taken into account for calculation of benefits such as Provident Fund, Gratuity, Superannuation and Leave Encashment.
  - iii. Variable Pay: Performance Bonus linked to the achievement of targets, as may be decided by the Board from time to time, subject to a maximum of ₹ 7,00,00,000/- (rupees seven crores only) per annum.
  - iv. Long-term Incentive Compensation / Employee Stock Option as per the plan applicable to Executive Directors and/or Senior Executives of the Company / Aditya Birla Group, including that of any parent / subsidiary company as may be decided by the Board.
- C. Perquisites:
- i. Housing: Free furnished accommodation or HRA in lieu of Company provided accommodation.
  - ii. Reimbursement of expenses on actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company policy.
  - iii. Car: Two cars for use of Company’s Business as per Company Car policy.

- iv. Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalisation policy as applicable), as per Company policy.
- v. Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
- vi. Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).
- vii. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company.
- viii. Leave and encashment of leave - as per the policy of the Company.
- ix. Personal accident Insurance Premium - as per the policy of the Company.
- x. Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme - as per the policy of the Company.
- xi. Gratuity and / or contribution to the Gratuity Fund of Company - as per the policy of the Company.
- xii. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
- xiii. Any other one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement.
- D. Annual remuneration review is effective 1<sup>st</sup> July each year, as per the policy of the Company.
- E. Subject as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- F. For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. K. K. Maheshwari, Managing Director will be considered as continuous service with the Company from the date of his joining the Aditya Birla Group.
- G. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.
- H. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. K. K. Maheshwari in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required.
- I. The Nomination, Remuneration and Compensation Committee will review and recommend the remuneration payable to the Managing Director during the tenure of his appointment.
- J. Though considering the provisions of Section 188 of the Act, and the applicable Rules and the Schedule of the Act, Mr. K. K. Maheshwari would not be holding any office or place of profit by his being a mere Director of the Company's holding company / Subsidiaries / Joint Ventures, approval be and is hereby granted by way of abundant caution for him to accept the sitting fees / commission paid / payable to other Directors for attending meetings of Board(s) of Directors / Committee(s) of holding company / Subsidiaries / Joint Ventures of the Company or companies promoted by the Aditya Birla Group.
- K. Mr. K. K. Maheshwari shall not be subject to retirement by rotation during his tenure as the Managing Director of the Company. So long as Mr. K. K. Maheshwari functions as the Managing Director, he shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.
- RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."
9. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:
- "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof,

Mrs. Alka Marezban Bharucha (DIN: 00114067), who was appointed as an Additional Director of the Company with effect from 9<sup>th</sup> June, 2016 under Section 161 of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 9<sup>th</sup> June, 2016."

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Atul Satish Daga (DIN: 06416619) who was appointed as an Additional Director by the Board of Directors of the Company and who holds office as such up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Atul Satish Daga (DIN: 06416619) as the Whole-time Director and Chief Financial Officer of the Company for the period and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. Atul Daga in the best interests of the Company and as may be permissible at law, viz.:

**A. Period:**

5 years w.e.f. 9<sup>th</sup> June, 2016 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.

**B. Remuneration:**

- i. Basic Salary: ₹ 375,209/- (rupees three lacs seventy five thousand two hundred and nine only) per month

with such increments as the Board may decide from time to time, subject however to a ceiling of ₹ 7,50,000/- (rupees seven lacs fifty thousand only) per month as Basic Salary.

- ii. Special Allowance: ₹ 4,55,510/- (rupees four lacs fifty five thousand five hundred and ten only) per month with such increments as the Board may decide from time to time, subject however to a ceiling of ₹ 10,00,000/- (rupees ten lacs only) per month. This allowance however, will not be taken into account for calculation of benefits such as Provident Fund, Gratuity, Superannuation and Leave encashment.
- iii. Annual Incentive Pay: Performance Bonus linked to the achievement of targets, as may be decided by the Board from time to time, subject to a maximum of ₹ 85,00,000/- (rupees eighty five lacs only) per annum.
- iv. Long-term Incentive Compensation/ Employee Stock Option as per the plan applicable to Executive Directors and/or Senior Executives of the Company/ Aditya Birla Group, including that of any parent/ subsidiary company as may be decided by the Board.

**C. Perquisites:**

- i. Housing: Free furnished accommodation or HRA in lieu of Company provided accommodation.
- ii. Reimbursement of expenses on actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company policy.
- iii. Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family (including domiciliary and medical expenses and insurance premium for medical and hospitalisation policy as applicable), as per the Company policy.
- iv. Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
- v. Two cars for use of Company's Business as per Company Car policy.
- vi. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company.
- vii. Leave and encashment of leave: as per the policy of the Company.
- viii. Personal accident Insurance Premium: as per the policy of the Company.

- ix. Contribution towards Provident Fund and Superannuation Fund or Annuity Fund: as per the policy of the Company.
  - x. Gratuity and /or contribution to the Gratuity Fund of Company: as per the policy of the Company.
  - xi. Other Allowances / benefits, perquisites: Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and/ or any other allowance, perquisites as the Board may from time to time decide.
- D. Annual remuneration review is effective 1<sup>st</sup> July each year, as per the policy of the Company.
- E. Subject as aforesaid, the Whole-time Director and Chief Financial Officer shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- F. For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Atul Daga, Whole-time Director and Chief Financial Officer will be considered as continuous service with the Company from the date of his joining the Aditya Birla Group.
- G. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.
- H. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Atul Daga in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required.
- I. The Nomination, Remuneration and Compensation Committee will review and recommend the remuneration payable to the Whole-time Director and Chief Financial Officer during the tenure of his appointment.
- J. Though considering the provisions of Section 188 of the Act, and the applicable Rules and the Schedule of the Act, Mr. Atul Daga would not be holding any office or place of profit by his being a mere Director of the Company's

holding company / Subsidiaries / Joint Ventures, approval be and is hereby granted by way of abundant caution for him to accept the sitting fees / commission paid / payable to other Directors for attending meetings of Board(s) of Directors/ Committee(s) of holding company / Subsidiaries / Joint Ventures of the Company or companies promoted by the Aditya Birla Group.

- K. Mr. Atul Daga shall not be subject to retirement by rotation during his tenure as the Whole-time Director and Chief Financial Officer of the Company. So long as Mr. Atul Daga functions as the Whole-time Director and Chief Financial Officer, he shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

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

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment to any of the foregoing and other applicable rules / regulations / guidelines and provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) to offer or issue Redeemable Non-Convertible Debentures (NCDs), secured or unsecured in one or more series / tranches aggregating up to an amount not exceeding ₹ 9,000 crores (rupees nine thousand crores only) on a private placement basis, during a period of one year from the date of passing this resolution, on such terms and conditions, as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, and to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to the Managing Director or Director(s) or any other Officer(s) of the Company or to any other person."

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

"RESOLVED THAT in supersession of the special resolution passed by the Members of the Company through postal ballot on 8<sup>th</sup> September, 2014 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowings not exceeding the amount which is ₹ 6,000 crores (rupees six thousand crores only) over and above the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may

arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

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

"RESOLVED THAT in supersession of the special resolution passed by the Members of the Company through postal ballot on 8<sup>th</sup> September, 2014 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) for creation of charge / mortgage / pledge / hypothecation / security in addition to existing charge / mortgage / pledge / hypothecation / security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and / or non-convertible debentures with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company including deferred sales tax loans availed / to be availed by various Units of the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Act together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the loan agreement(s), debenture trust(s)

or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies) representing various state government and / or other agencies etc. in respect of the said loans / borrowings / debentures / securities / deferred sales tax loans and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s)/Agent(s)/Trustee(s) / State Government(s) / Agency(ies), etc.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior / pari passu / subservient with / to the mortgages and / or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle, and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid."

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

"RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Consolidated FDI Policy, as amended, all applicable Rules, Regulations, Circulars, Notifications, Guidelines, Directions, issued by the Reserve Bank of India, including any statutory modification(s) or re-enactment thereof for the time being in force, the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 as amended from time to time and all applicable Rules, Regulations, Circulars and any other applicable laws for the time being in force; and subject to such other approvals, consents, permissions and sanctions, as may be required, of the Government of India or any concerned statutory or regulatory authorities

and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee of the Board), consent of the Company be and is hereby accorded to the Board to permit Registered Foreign Portfolio Investors ("RFPIs") registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time and the existing Foreign Institutional Investors ("FIIs") registered with the Securities and Exchange Board of India ("SEBI") including their sub-accounts registered with SEBI to acquire and hold on their own account and on behalf of each of their sub-accounts registered with SEBI, equity shares of the Company upto an aggregate limit of 30% (thirty per cent) of the paid-up equity share capital of the Company at the time of making such investment, provided that the individual shareholding of RFPIs/FIIs on its own account and on behalf of each of their sub-accounts in the Company shall not exceed such limits as are applicable or may be prescribed, from time to time, under applicable acts, laws, rules and regulations, including any statutory modification(s) or re-enactment thereof for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of Directors or any Directors or Officers of the Company."

By Order of the Board



S. K. Chatterjee  
Company Secretary

Place: Mumbai

Date: 9<sup>th</sup> June, 2016

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE SIXTEENTH ANNUAL GENERAL MEETING ("the Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A PERSON SHALL ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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.
3. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
4. Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid.
5. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board resolution authorising their representatives to attend and vote on their behalf at the Meeting.
6. Proxy Form(s) and certified copy of Board resolution(s) authorising representative(s) to attend and vote at the Meeting shall be sent to the registered office of the Company and addressed to the "Secretarial Department".
7. An Explanatory Statement pursuant to Section 102 of the Act in respect of Item nos. 4 to 15 of the Notice set out above, is annexed hereto.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 7<sup>th</sup> July, 2016 to Tuesday, 19<sup>th</sup> July, 2016 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.
9. The dividend, as recommended by the Board, if approved at the Meeting, will be paid on or after 21<sup>st</sup> July, 2016 to those Members or their mandates whose names are registered in the Company's Register of Members:
  - a) as Beneficial Owners as at the end of business on 6<sup>th</sup> July, 2016 as per the lists to be furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") in respect of the shares held in electronic form, and
  - b) as Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company or its Registrar & Transfer Agent ("RTA") viz. Karvy Computershare Private Limited having their address at "Karvy Selenium", Tower B, Plot No. 31-32, Financial District, Gachibowli, Nanakramguda, Hyderabad – 500 032 on or before 6<sup>th</sup> July, 2016.

Equity shares that may be allotted upon exercise of stock options granted under the Employee Stock Option Scheme – 2006 and Employee Stock Option Scheme - 2013 before the book closure date shall rank pari passu with the existing equity shares and shall also be entitled to receive the dividend, if approved at the Meeting.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Unpaid / Unclaimed dividend for the financial year 2007 – 2008 has been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government.
11. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the Financial Year 2008-09 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years will be transferred to IEPF. Shareholders who have so far not encashed the dividend warrant(s) for the financial year 2008–09 are requested to make their claim to the Secretarial Department at the Registered Office of the Company or the office of the RTA on or before 10<sup>th</sup> August, 2016 failing which the unpaid / unclaimed amount will be transferred to the IEPF. It may also be noted that once the unpaid / unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the IEPF in respect of such amount by the Member.
12. The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2012 dated 23<sup>rd</sup> July,

*2012 has directed companies to upload on the company's website information regarding unpaid and unclaimed dividend.*

*In terms of the circular, the Company has uploaded the details of unpaid and unclaimed dividend and the same can be viewed on [www.ultratechcement.com](http://www.ultratechcement.com).*

13. a) Members are requested to notify immediately any change of address:
  - i. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
  - ii. to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.
- b) In case the mailing address mentioned on this Annual Report is without the PINCODE, Members are requested to kindly inform their PINCODE immediately.
14. Non-resident Indian Members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately:
  - (a) the change in the residential status on return to India for permanent settlement.
  - (b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.
15. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DP ID number, as the case may be.
16. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the Members after making requisite changes thereon.
17. (a) Members are advised to avail the facility for receipt of dividend through Electronic Clearing Service ("ECS"). The ECS facility is available at specified locations. Members holding shares in electronic form are requested to contact their respective DPs for availing ECS facility. Members holding shares in physical form are requested to download the ECS form from the website of the Company viz. [www.ultratechcement.com](http://www.ultratechcement.com) and the same duly filled up and signed along with a photocopy of a cancelled cheque may be sent to the Company or to its RTA.
- (b) Members who hold shares in electronic form and want to change / correct the bank account details should send the same immediately to their concerned DP and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered, as will be furnished by NSDL/CDSL to the Company.
- (c) The Securities and Exchange Board of India ("SEBI") has provided that companies making cash payments to their investors shall use approved electronic mode of payment such as ECS, NECS, NEFT etc. To enable usage of electronic payment instruments, companies are required to maintain requisite bank details of their investors:-
  - For securities held in electronic form, companies shall seek relevant bank details from the DPs.
  - For securities held in physical mode, companies shall maintain updated bank details received from the investors.
- (d) To avoid the incidence of fraudulent encashment of dividend warrants, Members are requested to intimate the Company under the signature of the Sole / First Joint holder, the following information, so that the bank account number and name and address of the bank can be printed on the dividend warrants:
  - 1) Name of Sole / First Joint holder and Folio number.
  - 2) Particulars of bank account, viz.
    - i) Name of bank
    - ii) Name of branch
    - iii) Complete address of bank with PINCODE
    - iv) Account type, whether Savings (SB) or Current Account (CA)
    - v) Bank Account Number
18. Depository System  
*The Company has entered into agreements with NSDL and CDSL. The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of*

*share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.*

*Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.*

19. As per the provisions of Section 72 of the Act, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's Secretarial Department at its Registered Office or its RTA or can download the form from the Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com). Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.
20. Disclosure pursuant to Regulation 26(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing

*Regulations") with respect to Directors seeking re-appointment/appointment at the Meeting is attached hereto.*

21. The Annual Report of the Company for the year 2015-16, circulated to the Members of the Company, is available on the Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com). The annual accounts of the Company's subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.
22. *In terms of the Listing Regulations, it is mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares.*
23. All documents referred to in the Notice will be available for inspection at the Company's registered office between 11:00 am and 1:00 pm upto 18<sup>th</sup> July, 2016 on all days (except Saturdays, Sundays and public holidays).
24. The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue is, it is near to "Nehru Planetarium".

## CHANGE OF YOUR COMPANY'S REGISTRAR AND SHARE TRANSFER AGENT ("RTA")

SEBI vide its Order No. WTM/RKA/MIRSD2/41/2016 dated 22<sup>nd</sup> March, 2016 ("the Order") has debarred Sharepro Services (India) Private Limited ("Sharepro") from accessing the Capital Market. The Order also directs all the clients of Sharepro to carry out / switchover their activities related to registrar and share transfer agents, either in-house or through another RTA registered with SEBI.

The Board of Directors of the Company has appointed Karvy Computershare Private Limited as its new RTA in place of Sharepro.

Shareholders are requested to send the documents / correspondence relating to the Company's securities and share transfer activity to the new RTA at the following address:

Karvy Computershare Private Limited  
"Karvy Selenium", Tower B, Plot No. 31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad – 500 032  
Tel: +91 40 6716 2222  
Fax: +91 40 2342 0814  
Email: [ultratech.ris@karvy.com](mailto:ultratech.ris@karvy.com)  
Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

## **Annexure to the Notice**

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**

#### **Item Nos. 4 and 5**

In terms of the provisions of Section 139 of Companies Act, 2013 (the "Act"), no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. The Act further prescribes that the Company has to comply with these provisions within three years from the commencement of the Act.

BSR & Co. LLP ("BSR"), Chartered Accountants were appointed as one of the Joint Statutory Auditors of the Company at the previous Annual General Meeting ("AGM") of the Company held on 28<sup>th</sup> August, 2015 to hold office from the conclusion of the 15<sup>th</sup> AGM until the conclusion of the 20<sup>th</sup> AGM of the Company to be held in 2020. In terms of the provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for appointment of BSR in the resolution set out at item no. 4 of this Notice.

M/s. G. P. Kapadia & Co., Chartered Accountants, Mumbai were appointed as one of the Joint Statutory Auditor of the Company in October, 2004 and re-appointed at every AGM thereafter. M/s. G. P. Kapadia & Co. have been in office for more than 10 years and in compliance with the provisions of the Act, the Company will have to appoint a new auditor in their place by 31<sup>st</sup> March, 2017.

The Board of Directors have, at their meeting held on 25<sup>th</sup> April, 2016, recommended the appointment of M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai as one of the Joint Statutory Auditor of the Company in place of M/s. G. P. Kapadia & Co. to hold office from the conclusion of this AGM until the conclusion of the 21<sup>st</sup> AGM of the Company, subject to ratification by the Members at every AGM till the 20<sup>th</sup> AGM.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions.

The resolutions as set out in item nos. 4 and 5 of this Notice are accordingly commended for your approval.

#### **Item No. 6**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. I. Mehta & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2017 as per the following details:

- M/s. N. I. Mehta & Co., Cost Accountants, Mumbai - ₹ 8,25,000/- (rupees eight lacs twenty five thousand only)
- M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad - ₹ 9,00,000/- (rupees nine lacs only)

plus service tax as applicable and reimbursement of out-of-pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is being sought for passing the resolution as set out in item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2017.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution.

The resolution as set out in item no. 6 of this Notice is accordingly commended for your approval.

#### **Item Nos. 7 and 8**

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, Mr. K. K. Maheshwari was appointed as an Additional Director on the Board of the Company with effect from 1<sup>st</sup> April, 2016 to hold office upto the date of the Annual General Meeting. He was also appointed as the Managing Director of the Company with effect from 1<sup>st</sup> April, 2016, subject to the approval of the Members.

Mr. Maheshwari has a very long association with the Aditya Birla Group, and brings in multi business, multi-geography and multi-cultural exposure in various roles across the Group. A Chartered Accountant by qualification, with around 38 years of experience, of which over 3 decades have been with the Aditya Birla Group, Mr. Maheshwari has extensive profit and cost centre experience in more than one Business. He scripted the growth of the Group's VSF Business towards a more competitive and sustainable model, guiding greenfield and brownfield expansions in India and overseas. He has brought in strong execution rigor to his work, and has considerably strengthened both innovation and new products development.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of Mr. Maheshwari as a Director of the Company.

The remuneration and other terms and conditions of Mr. Maheshwari's appointment as Managing Director as set out in the resolution is subject to your approval. In terms of the provisions of the Employee Stock Option Scheme – 2013, 15,042 Stock Options and 5,313 Restricted Stock Units have been granted to Mr. Maheshwari during the year. Mr. Maheshwari is a member of the Company's Corporate Social Responsibility Committee and Risk Management Committee. Other details required to be disclosed in terms of the provisions of Secretarial Standard on General Meetings form part of this Notice.

Mr. Maheshwari is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Mr. Maheshwari and his relatives are, in any way, concerned or interested in the said resolutions.

The resolutions as set out in item nos. 7 and 8 of this Notice is accordingly commended for your approval.

#### **Item No. 9**

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company have appointed Mrs. Alka Bharucha as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Mrs. Bharucha holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Mrs. Bharucha as a Director of the Company. The Company has also received a declaration from Mrs. Bharucha confirming that she meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mrs. Bharucha is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

In the opinion of the Board, Mrs. Bharucha fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations and she is independent of the management.

Mrs. Bharucha began her career with Mulla & Mulla & Craigie Blunt & Caroe, and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which,

since inception, has been ranked by RSG Consulting, London among the top fifteen firms in India. Mrs. Bharucha chairs the transactions practice at Bharucha & Partners.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day and is also available on the website of the Company [www.ultratechcement.com](http://www.ultratechcement.com).

Mrs. Bharucha is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mrs. Bharucha and her relatives, are in any way, concerned or interested in the said resolution.

The resolution as set out in item No. 9 of this Notice is accordingly commended for your approval.

#### **Item Nos. 10 and 11**

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, Mr. Atul Daga was appointed as an Additional Director on the Board of the Company with effect from 9<sup>th</sup> June, 2016 to hold office up to the date of the Annual General Meeting. He was also appointed as the Whole-time Director and Chief Financial Officer of the Company with effect from 9<sup>th</sup> June, 2016, subject to the approval of the Members.

Mr. Atul Daga is a Chartered Accountant by qualification with over 29 years' experience, of which over two decades have been with the Aditya Birla Group. He joined the Group in 1988 at Rajashree Cement, a division of the then Indian Rayon Limited. He has worked as Executive Assistant with the late Mr. Aditya Birla, in which role he worked closely with the cement, aluminium, carbon black and VSF & Chemicals business. Mr. Daga has worked with the Corporate Finance Group of Aditya Birla Management Corporation Private Limited, as the portfolio owner of Corporate Management Information Systems. In 2007, he moved to Aditya Birla Retail Limited, to head the Finance function of the start-up. He built a strong team, taking over as the Chief Financial Officer from 2010. In 2014, Mr. Daga took over as the Chief Financial Officer of the Company. At the Company, he has undertaken several initiatives, such as, creating a robust platform for managing Investor Relations, evaluating M&A opportunities, and setting new benchmarks for raising long term borrowings in the domestic financial market.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of Mr. Daga as a Director of the Company.

The remuneration and other terms and conditions of Mr. Daga's appointment as Whole-time Director and Chief Financial Officer as set out in the resolution is subject to your approval. In terms of the provisions of the Employee Stock Option Scheme – 2013, 1,570 Stock Options have been vested in Mr. Daga during the year. Other details required to be disclosed in terms of the provisions of Secretarial Standard on General Meetings form part of this Notice.

Mr. Daga is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Mr. Daga and his relatives are, in any way, concerned or interested in the said resolutions.

The resolutions as set out in item nos. 10 and 11 of this Notice are accordingly commended for your approval.

#### **Item No. 12**

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) requires any offer or invitation for subscription of redeemable Non-Convertible Debentures ("NCDs") and its issuance on private placement basis to be approved by the Members by way of a special resolution. The Rules provide that the said special resolution must be passed in respect of all offers / invitation for the NCDs to be issued during a year.

In order to augment resources for, inter alia, the ongoing capital expenditure and / or refinancing / repayment / prepayment of existing loans and / or for general corporate purposes, the Company may offer or invite subscription for secured / unsecured redeemable NCDs, in one or more series / tranches on private placement basis, issuable / redeemable at discount / par / premium.

Accordingly, the approval of the Members is being sought by way of a special resolution as set out in Item No. 12 of this Notice authorising the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) of the Company to issue up to an amount not exceeding ₹ 9,000 crores (rupees nine thousand crores only) on a private placement basis, at a discount or at par or at a premium and at such interest rate as may be appropriate considering the prevailing money market conditions at the time of issuance, during a period of one year from the date of passing of this resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution.

The resolution as set out in item No 12 of this Notice is accordingly commended for your approval.

#### **Item Nos. 13 and 14**

The Members of the Company had, through postal ballot, on 8<sup>th</sup> September, 2014, authorised the Board of Directors (which term shall be deemed to include any Committee of the Board) to borrow money(ies) on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and for creation of charge on moveable and immovable properties of the Company as security in favour of lending agencies for a sum not exceeding ₹ 2,000 crores (rupees two thousand crores only), over and above the aggregate of the paid-up share capital and free reserves of the Company.

Keeping in view your Company's business requirements and growth plans, it is considered desirable to increase the said borrowing limits under the provisions of Section 180(1)(c) of the Companies Act, 2013 (the "Act").

The borrowings by a Company, in general, are required to be secured by mortgage or charge on all or any of the moveable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s).

Your consent is required under the provisions of Sections 180(1)(c) and 180(1)(a) of the Act, to increase the borrowing limits and to mortgage and / or create a charge on any of the moveable and / or immovable properties and / or the whole or any part of the undertaking(s) of your Company to secure its borrowings.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolutions.

The resolutions as set out in item nos. 13 and 14 of this Notice are accordingly commended for your approval.

#### **Item No. 15**

In terms of the provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended, read with the relevant Notifications / Circulars / Press Notes / Press Releases issued by the Department of Industrial Policy and Promotion and the Reserve Bank of India in connection with foreign investment, the Foreign Institutional Investors ("FIIs") class has been re-classified as Registered Foreign Portfolio Investor ("RFPIs"). Further, FIIs registered with SEBI including their sub-accounts are subsumed under this new category viz. RFPIs.

The aggregate holdings of RFPIs and Deemed RFPIs put together shall not exceed 24% of the paid-up equity share capital of

the Company. However this limit may be increased up to the sectoral cap applicable to the Company which is 100% of the paid-up capital, with the approval of the Board of Directors and the shareholders of the Company by way of a special resolution.

The existing RFPI shareholding in your Company is 19.35%. To make more space for RFPIs to invest in the equity share capital of the Company, it is proposed to increase the RFPIs (including Deemed RFPIs) investment limit up to 30% of its total paid-up equity share capital, subject to the approval of Members by way of a special resolution.

None of the Directors, Key Managerial Personnel and their relatives thereof are, in any way, concerned or interested in the said resolution.

The resolution as set out in item nos. 15 of this Notice is accordingly commended for your approval.

By Order of the Board



S. K. Chatterjee  
Company Secretary

Place: Mumbai  
Date: 9<sup>th</sup> June, 2016

**Disclosure relating to Directors pursuant to Regulation 26(4) of Listing Regulations and Secretarial Standards on General Meetings:**

Name of Director	Mrs. Rajashree Birla	Mr. K. K. Maheshwari	Mrs. Alka Bharucha	Mr. Atul Daga
Date of Birth / Age	15 <sup>th</sup> September, 1945 / 71 years	1 <sup>st</sup> March, 1955 / 61 years	6 <sup>th</sup> March, 1957 / 59 years	16 <sup>th</sup> December, 1965 / 50 years
Date of First Appointment	14 <sup>th</sup> May, 2004	1 <sup>st</sup> April, 2016	9 <sup>th</sup> June, 2016	9 <sup>th</sup> June, 2016
Expertise in specific General Functional area	Industrialist	Company Executive	Solicitor	Company Executive
Qualification	B.A.	C.A.	B.A. (Hons), LLB, LLM	C.A.
Shareholding in the Company No. of Board meetings attended during FY16	41,701 2	8 Not Applicable	- Not Applicable	230 Not Applicable
List of outside Directorships held (Public Limited Companies)	1. Aditya Birla Health Services Limited 2. Aditya Birla Nuvo Limited 3. Century Enka Limited 4. Century Textiles and Industries Limited 5. Grasim Industries Limited 6. Hindalco Industries Limited 7. Idea Cellular Limited	1. Grasim Industries Limited 2. Birla Sun Life Asset Management Company Limited 3. Honda Cars India Limited 4. Honda Siel Power Products Limited	1. Aditya Birla Finance Limited 2. Birla Sun Life Asset Management Company Limited 3. Honda Cars India Limited 4. Honda Siel Power Products Limited	1. Dakshin Cements Limited 2. Birla Sun Life Asset Management Company Limited 3. Honda Cars India Limited 4. Honda Siel Power Products Limited
Chairman / Member of the Committee of the Board of Directors of the Company	Nil	Nil	Nil	Nil
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director				
a) Audit Committee	Nil	Nil	1. Honda Cars India Limited - Chairperson 2. Honda Siel Power Products Limited - Member	Nil
b) Stakeholders Committee	Nil	Nil	Nil	Nil

Note:1) Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders Committee have been considered.

## Instructions for Remote e-voting

1. 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 by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services arranged by Karvy Computershare Private Limited ("Karvy"). The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").
2. The facility for voting through electronic voting system or polling paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.
3. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Saturday, 16<sup>th</sup> July, 2016 (9:00 a.m. IST) and ends on Monday, 18<sup>th</sup> July, 2016 (5:00 p.m. IST). During this period, Members of the Company may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

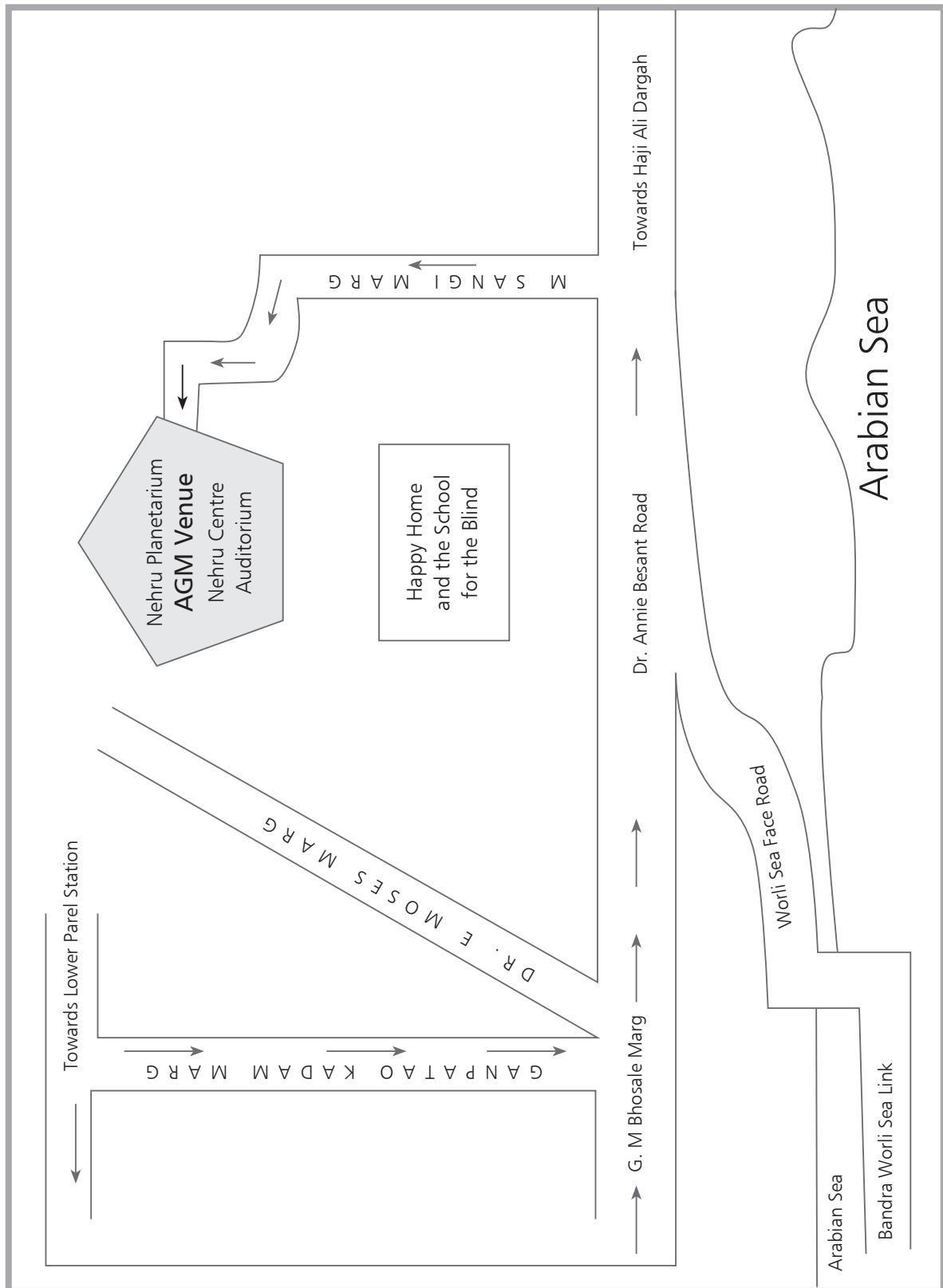
The process and manner for remote e-voting are as under:

- A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/ Depository Participants):
    - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
    - (ii) Enter the login credentials (i.e. User ID and Password). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your vote.
    - (iii) After entering these details appropriately, Click on "LOGIN".
    - (iv) You will now reach password change Menu wherein
- you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
  - (vi) On successful login, the system will prompt you to select the "EVENT" i.e., UltraTech Cement Limited.
  - (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - (viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio / demat account.
  - (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - (xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at

- e-mail ID: [ultratechvoting@karvy.com](mailto:ultratechvoting@karvy.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email IDs are not registered with the Company/ Depository Participant or requesting physical copy):
1. Initial Password is provided, as below, at the bottom of the Attendance Slip for the AGM.
- |         |              |
|---------|--------------|
| User ID | Password/PIN |
| -       | -            |
2. Please follow all steps from Sr. No. (i) to Sr. No. (xii) above in (A), to cast your vote.
- C. Other Instructions:
- I. 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 AGM.
  - II. 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 i.e. Tuesday, 12<sup>th</sup> July, 2016.
  - III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Tuesday, 12<sup>th</sup> July, 2016 may obtain the User ID and Password in the manner as mentioned below:
    - a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD<SPACE>E-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399
 

Example for NSDL: MYEPWD<SPACE>XXXXIN12345612345678  
 Example for CDSL: MYEPWD<SPACE>XXXX1402345612345678  
 Example for Physical : MYEPWD<SPACE> XXXX1234567890
    - b. If e-mail address of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "Forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c. Members may call Karvy's toll free number 1-800-3454-001.
  - d. Members may send an e-mail request to: [evoting@karvy.com](mailto:evoting@karvy.com). If the Member is already registered with Karvy e-voting platform then such Member can use his/her existing User ID and password for casting the vote through remote e-voting.
- IV. The Board of Directors has appointed Mr. B. Narasimhan, Company Secretary of M/s. B. N. & Associates, Company Secretaries as a Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner.
- V. At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting for all those Members who are present but have not cast their vote electronically using the remote e-voting facility.
- VI. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in employment of the Company, and make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- VII. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.ultratechcement.com](http://www.ultratechcement.com) and on the website of Karvy [www.evoting.karvy.com](http://www.evoting.karvy.com) immediately after the result declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- VIII. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at Karvy's website [www.evoting.karvy.com](http://www.evoting.karvy.com).

## Route map for the venue of the Annual General Meeting





## UltraTech Cement Limited

Registered Office: 'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093

Tel No.: 022-66917800/29267800, Fax No.: 022-66928109, website: www.ultratechcement.com

CIN: L26940MH2000PLC128420

Form No. MGT – 11

## PROXY FORM

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

Name of the Member(s): .....

Registered address:.....

E-mail ID:.....

Folio No. / DP ID and Client ID:.....

I/We, being the Member(s) of ..... Shares of the above named Company, hereby appoint

1. Name:..... E-Mail ID:.....

Address: .....

Signature..... or failing him/her

2. Name:..... E-Mail ID:.....

Address: .....

Signature..... or failing him/her

3. Name:..... E-Mail ID:.....

Address: .....

Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 16<sup>th</sup> Annual General Meeting, to be held on Tuesday, 19<sup>th</sup> July, 2016 at 3:30 p.m. at Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Description	For*	Against*
1.	Adoption of the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31 <sup>st</sup> March, 2016, the Reports of the Board of Directors' and Auditors' thereon.		
2.	Declaration of Dividend.		
3.	Re- appointment of Mrs. Rajashree Birla, Director retiring by rotation.		

Resolution No.	Description	For*	Against*
4.	Ratification of appointment of BSR & Co. LLP, Chartered Accountants, Mumbai as Joint Statutory Auditors of the Company.		
5.	Appointment of M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai as Joint Statutory Auditors of the Company.		
6.	Ratification of the remuneration of the Cost Auditors viz. M/s. N. I. Mehta & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad for the financial year ending 31 <sup>st</sup> March, 2017.		
7.	Appointment of Mr. K. K. Maheshwari as a Director of the Company.		
8.	Appointment and remuneration of Mr. K. K. Maheshwari as the Managing Director of the Company.		
9.	Appointment of Mrs. Alka Marezban Bharucha as an Independent Director of the Company.		
10.	Appointment of Mr. Atul Daga as a Director of the Company.		
11.	Appointment and remuneration of Mr. Atul Daga as Whole-time Director and Chief Financial Officer of the Company.		
12.	Issue of Non-convertible Redeemable Debentures on private placement basis upto an amount of ₹ 9,000 crores.		
13	Increase in borrowing limits of the Company.		
14	Creation of security on the properties of the Company, both present and future, in favour of lenders.		
15	Increase in limits for investment in the equity share capital of the Company by Registered Foreign Portfolio Investors including Foreign Institutional Investors from 24% to 30%.		

Signed this ..... day of ..... 2016

Affix a  
Re. 1/-  
Revenue  
Stamp

.....  
Signature of Shareholder

.....  
Signature of first proxy holder

.....  
Signature of second proxy holder

.....  
Signature of third proxy holder

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

#### Notes:

1. This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.