Ambuja Cements Limited

Reports and Accounts of
Subsidiary Companies
Annual Report
2016

Contents

1)	ACC Limited	3-170
2)	OneIndia BSC Private Limited	171-194
3)	M.G.T. Cements Private Limited	195-209
4)	Chemical Limes Mundwa Private Limited	210-225
5)	Dirk India Private Limited	226-243
6)	Dang Cements Industries Private Limited, Nepal	244-253

BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

TO THE MEMBERS OF
ACC LIMITED

The Directors are pleased to present the Eighty First Annual Report of the Company together with audited financial statements for the year ended December 31, 2016. Management Discussion and Analysis forms part of this report.

1. FINANCIAL RESULTS

	Consolidated ₹ Crore		Standalone ₹ Crore	
	2016	**2015**	**2016**	**2015**
Revenue from Operations (Net) and Other Income	11,274.75	11,916.94	11,271.05	11,916.18
Profit before Tax	805.32	765.53	808.87	783.97
Provision for Tax	209.60	189.98	206.47	192.40
Profit After Tax (PAT)	604.38	587.60	602.40	591.57
Balance brought forward from previous year	4,605.50	4,433.04	4,634.07	4,456.64
Profit available for appropriations	5,210.88	5,020.64	5,236.47	5,048.21
Appropriations:				
Interim Dividend	206.57	206.52	206.57	206.52
Proposed Final Equity Dividend	112.67	112.65	112.67	112.65
Tax on Equity Dividend	64.99	64.97	64.99	64.97
Transfer to General Reserve	30.00	30.00	30.00	30.00
Surplus carried to the next year's account	4,796.65	4,606.50	4,822.24	4,634.07

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

Consolidated Income

Consolidated income, comprising Revenue from Operations (Net) and other income, for the year was ₹ 11,274.75 crore, 5.39% lower as compared to ₹ 11,916.94 crore in 2015.

Total consolidated Revenue from operations (Net) decreased to ₹ 11,167.55 crore from ₹ 11,797.16 crore in 2015.

Other operating revenue

Other Operating revenue for the year 2016 on a like-for-like basis remained flat at ₹ 221.93 crore.

Consolidated profit before tax

Consolidated profit before tax for the year was ₹ 805.32 crore as compared to ₹ 765.53 crore in 2015.

Consolidated Profit after tax

Consolidated Profit after Tax for the year was ₹ 604.38 crore as compared to ₹ 587.60 crore in 2015.

Material Changes

No material changes or commitments have occurred between the end of the calendar year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

3. DIVIDEND

The Board of Directors of the Company had approved the Dividend Distribution Policy on December 17, 2016 in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at http://www.acclimited.com/assets/new/new_pdf/Dividend_Distribution_Policy.pdf

In line with the said Policy, the Board of Directors has recommended payment of final dividend at ₹ 6/- per Equity Share of ₹ 10 face value aggregating to ₹ 112.67 crore. The total dividend for the year, including interim dividend of ₹ 11/- per Equity Share paid in August 2016, adds up to ₹ 17/- per Equity Share involving a total outflow of ₹ 384.23 crore (including tax on dividend). The dividend payout ratio is 64%. The dividend per Equity Share for the year 2016 is the same as in the previous year.

During the year, unclaimed dividend pertaining to the 71st final dividend for the year 2008 and the 72nd Interim dividend for the year 2009 totaling ₹ 2.15 crore was transferred to the Investor Education & Protection Fund.

4. TRANSFER TO RESERVES

The Company proposes to transfer an amount of ₹ 30 crore to the General Reserves. An amount of ₹ 4,796.65 crore is proposed to be retained in the Consolidated Statement of Profit and Loss.

5. SHARE CAPITAL

The Company's paid-up Equity Share Capital as on December 31, 2016 was ₹ 187.79 crore as compared to ₹ 187.75 crore in the previous year.

Pursuant to the Orders passed by The Special Court - Trial of Offences Relating to Transactions in Securities (TORTS), during the year the Company was required to allot 41,907 Equity Shares of ₹ 10 face value into the "Custodian Account - Jyoti Harshad Mehta" out of the shares which were kept in abeyance of "Right Issue - 1999", as then directed by the Special Court (TORTS).

The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme. As on December 31, 2016, none of the Directors of the Company hold shares in the Company except Mr Shailesh Haribhakti who holds 3,100 Equity Shares of the Company.

No disclosure is required under Section 67(3)(c) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

The Company has not issued any convertible instrument during the year.

6. FINANCIAL LIQUIDITY

Cash and cash equivalent as at December 31, 2016 was ₹ 1,944 crore (Previous year ₹ 1,389 crore).

The Company's working capital management is based on a well-organized process of continuous monitoring and controls on Receivables, inventories and other parameters.

7. CREDIT RATING

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. CRISIL, a reputed Rating Agency, has reaffirmed the highest credit rating of CRISIL AAA/ STABLE for the long term and CRISIL A1+ for the short term financial instruments of the Company.

8. DEPOSITS

The Company's Fixed Deposit Scheme was discontinued in the year 2001-02. The total amount of fixed deposits matured and remaining unclaimed as on December 31, 2016 is ₹ 0.02 crore. The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

10. ECONOMIC SCENARIO AND OUTLOOK

Indian economy followed a path of recovery registering growth in the first three quarters of the year 2016. The prospect for economic growth became buoyant with the agrarian and rural economy benefiting from a good monsoon after two successive rain-deficient years. The growth was affected in the last two months of the year by the impact of the demonetization scheme. The calendar year is expected to end with GDP growth estimated at around 7.0%.

2016 closed as a momentous year for the country marked by two landmark economic reforms even as the global economic scenario was indifferent. The first is the Goods and Services Tax (GST), a single tax intended to replace the existing Central and State indirect taxes, which is expected to come into force in 2017.

The second reform was the rollout of the demonetization scheme in early November. In the long run, this reform aims to usher in greater transparency in financial transactions and a transition towards a cashless economy; in the short term, it has squeezed liquidity and consumption across the economy, notably in the construction sector.

The wholesale and consumer price inflation rates rose to ~ 1.8 % and ~5.1% in 2016 from last year's (2.8) % and 4.9% following a rise in global fuel and commodity prices, near flat domestic demand conditions and an increase in food inflation.

In 2016, manufacturing growth was ~8.5%, at par with 2015, while growth in agriculture, mining and construction was lower at 2.4%, 2.5% and 3.1% respectively. The Cement sector which grew at over 6% in the first three quarters tapered off in the last quarter due to the effect of demonetization to end the year with growth of ~5% in 2016.

The outlook for 2017 brightens as liquidity in the economy moves towards normalization, with expectations for early revival and growth in overall consumption across several sectors including construction and building materials.

The Union Budget for 2017-2018 was welcomed for its thrust on the rural sector, infrastructure development, housing and a boost to the overall investment climate. If 2017 also experiences a normal monsoon, GDP growth is likely to rebound in the second half of the year. Better liquidity and improved tax collections will enhance government's ability to spend on infrastructure and other development projects, leading to faster growth.

11. CEMENT INDUSTRY - OUTLOOK AND OPPORTUNITIES

With available capacity of approximately more than 375 million tonnes per annum in the Indian Cement Industry, overall domestic consumption during 2016 is estimated at ~283 million tonnes. Cement demand is estimated to have grown at the rate of ~5% in 2016, as compared to ~1.5% in 2015. Effective capacity utilisation in the industry remained low at ~75%; while cement plants in the northern, central and eastern regions of the country were able to produce at levels above 85% of capacity, excess capacity in the south dragged down the industry's average capacity utilisation.

In 2017 we foresee that the cement industry will continue to be dogged by the challenge of excess capacity leading to intense competition. Overall demand for cement is likely to grow at ~5% in 2017. If government is successful in increasing its investment expenditure on large infrastructure and other development projects

as announced in the Union Budget 2017-2018, it will further energize construction activity. Any cut in interest rates on housing loans is likely to boost investment in the housing sector. Together these developments can give a much-needed fillip to demand for cement and concrete in the coming year.

The critical challenges before your Company in 2017 would include the following:

- To pursue a judicious value-cum-volume strategy so as to maximise utilization of existing capacity including the additional capacity from the newly expanded Jamul plant.
- To continue to step up the sale of value creating Premium products
- To further streamline channel management and strengthen marketing activities in a manner that leverages the Company's brand equity
- To continue promotion and facilitation of cashless transactions in the retail network with a view to ensure uninterrupted retail offtakes.
- To develop the means to foresee changes in the value chain and the agility needed to keep strict control on the costs of fuel and raw materials amid volatile global prices

The above initiatives together with your Company's continued focus on cost efficiency and other customer excellence initiatives should help in presenting an improved performance.

12. CEMENT BUSINESS – PERFORMANCE

	2016	2015	Change %
Production - million tonnes	23.18	23.84	(2.8)
Sales Volume - million tonnes	22.99	23.62	(2.7)
Net Sale Value (₹ crore)	10,068.26	10,652.60	(5.5)
Operating EBITDA (₹ crore)	1,342.23	1,482.88	(9.5)
Operating EBITDA Margin (%)	13.33	13.92	

12.1 Sales Volume & Pricing

Domestic sales in 2016 decreased by 2.7% to 22.99 million tonnes from 23.62 million tonnes achieved in 2015.

Individual House Builders (IHB) remain the largest customer segment in terms of volume and profitability. In addition, the Company gainfully utilizes its core strengths as a pioneer in cement and concrete technology to demonstrate its techno-promotion capabilities in the nation-building sectors of growing importance in infrastructure, commercial and institutional projects such as smart cities, urban rejuvenation, roads, highways, ports, airports, power plants, dams and irrigation schemes.

The cement market continued to witness vigorous price competition. Average selling prices of cement reduced by ~3 % in 2016 over 2015.

12.2 Costs – Cement Business

During the year 2016, the Company maintained a close focus on effective cost management through various initiatives.

a) Cost of materials consumed

A combination of cost efficiency measures and lower input costs helped bring down the cost of materials consumed by 14.2% in 2016 as compared to 2015. The cost of materials consumed as a share of total income from operations came down from 12.3% in 2015 to 11.3% in 2016.

The cost of gypsum reduced by 10.8% as a result of changes made in the mix optimization as well as due to the lower landed cost of imported gypsum.

Continuous efforts were made to reduce the clinker factor by producing a higher share of blended cements using flyash and slag. Procurement costs of flyash and slag were re-negotiated and brought down. This coupled with changes in source and mix optimization enabled a reduction of 5.9% in the cost of flyash. In respect of slag, a reduction of 14.3% was achieved as compared to the previous year.

b) Power & Fuel

Power & Fuel efficiencies enabled a cost reduction of 10% in 2016 as compared to 2015. The Power & Fuel spend in 2016 was ₹ 2,142.55 crore as compared to ₹ 2,377.85 crore spent in 2015.

To take advantage of softening global prices of petcoke, vigorous efforts were made to implement the ongoing plans already in place since the previous year to achieve a higher share of petcoke in the overall fuel mix and thus moderate the Company's dependence on domestic and imported coal. This enabled the consumption of petcoke to leap from a level of 18% in 2015 to as much as 62% in 2016.

The cost of generation at our Captive Power Plants (CPP) was brought down by 2.4 % to ₹ 4.56 per KWh in 2016 against ₹ 4.67 per KWh in 2015 mainly due to better efficiencies.

The average cost of purchased power during the year was ₹ 6.3 per KWh as compared to ₹ 6.5 per KWh in the preceding year.

c) Freight & Forwarding expenses

Despite an increase in rail tariffs, Freight and Forwarding expenses during the year were ₹ 2,560.02 crore as compared to ₹ 2,640.76 crore in 2015, registering a decrease of 3.1%.

This was partly on a account of lower despatches but also on account of the Management's proactive intervention such as changes in the rail-road mix, increase in direct ex-factory despatches, greater penetration and expansion into home markets and markets with shorter leads as well as through renegotiation of road transport and C&F rates.

d) Employee costs

Employee costs during the year increased by 3.3% on a like-for-like basis. Overall employee costs as a share of total income from operations increased from 6.5% in 2015 to 7.0% in 2016. Various initiatives taken under India Manufacturing Transformation programme are expected to continue to reflect improvement in employee costs.

e) Packing materials

Packing material cost reduced by ₹ 51 crore on account of renegotiation of commercial terms with suppliers, a fall in the prices of Poly Propylene granules and other initiatives like standardization of bags across plants.

13. READY MIXED CONCRETE (RMX)

	2016	2015	Change %
RMX Production – Lakh Cubic Metres	24.43	22.15	10.3
RMX Sales volume – Lakh Cubic Metres	25.90	23.44	10.5
Net Sale value – (₹ crore)	1,054.62	967.50	9.0
Operating EBITDA – (₹ crore)	74.77	54.29	37.7
Operating EBITDA Margin (%)	7.09	5.61	

The Company's Ready Mixed Concrete business performed well during the year maintaining its spotlight on infrastructure, commercial and realty segments and a sharp focus on promoting value-added special products that are more customer service-oriented. This enabled it to follow a consistent course of growth with an increase of 10.5 % in sales by volume and 9.0 % in sales by

value. Operating EBITDA of RMX business rose by 37.7% from ₹ 54.29 crore in 2015 to ₹ 74.77 crore during the year.

RMX business expanded its footprint adding plants in the new markets of Lucknow, Nagpur and Raipur and a dedicated plant at a power project site in Aligarh. Four plants were phased out. At year-end the nationwide network comprised 50 state-of-the-art concrete plants catering mainly to major metro cities, state capitals and Tier II cities.

Your Company has shaped its RMX business to perform as a solution provider with a special thrust on serving different customer segments ranging from prestigious metro rail projects, roads and highways, irrigation schemes, power plants, high-rise buildings and townships each with their own varied requirement of concrete applications.

With its experience and expertise the Company expects to be well-positioned to serve major construction projects materializing out of Government's plans for Infrastructure development, Smart cities, urban rejuvenation projects and the growing trends in commercial and realty segments.

14. NEW JAMUL INTEGRATED PROJECT

The integrated Jamul Project was commissioned during the year; It comprises a new clinkering line of capacity 2.79 million tonnes per annum at Jamul and cement grinding units of capacity 1.10 million tonnes at Jamul and 1.35 million tonnes at Sindri. With this, the Company's total cement capacity has now risen to 33.41 million tonnes per annum.

The new Jamul Plant has state-of-the-art features to enable high performance levels in environment management and pollution control systems, safety and quality excellence.

With excellent connectivity by rail and road, the new integrated plant will complement the Company's existing network in Eastern India, strengthening its presence in important markets with the supply of environment-friendly blended cements.

15. SUSTAINABLE DEVELOPMENT

During the year, your Company was felicitated with the prestigious CII-ITC Sustainability Award 2016 for "Outstanding Accomplishment" in recognition of its continued effort and commitment to the cause of Sustainable Development. This award, among the country's most coveted in the field of corporate sustainability development, has been received by ACC three times in the last four years which is an external endorsement of the sustainable manner in which your Company conducts its business. Over the years, the Company's business model has incorporated practices and systems geared towards good governance, customer excellence, environment conservation, human resource management, community development and value creation for all stakeholders.

The Sustainable Development Report for 2015 conforming to Global Reporting Initiative GRI-G4 principles in accordance with "Comprehensive Option" was released during the year. The Report is available on the company's website at www.acclimited.com.

During the year, the Company participated for the first time in the Dow Jones Sustainability Indices (DJSI) under "Emerging markets" category.

Your Company is aligning its Sustainable Development agenda to the Groups Sustainability Strategy which is supportive of the UN "Sustainable Development Goals". The Plan incorporates measurable targets related to the following significant areas:

- Climate – Reduction of Net specific CO_2 emissions
- Circular Economy – Enhanced utilization of waste-derived resources
- Water & Nature – Reduction of specific freshwater withdrawal in cement operations

& enhancing the biodiversity in all operating mines Implementation of Water Access, Sanitation and Health (WASH) pledge

- People & Communities – Improving, performance, gender diversity Low cost shelter & sanitation solutions

15.1 Climate

CO_2 Emissions

Your Company is a prominent member of the India chapter of the Cement Sustainability Initiative (CSI) set up under the auspices of the World Business Council for Sustainable Development (WBCSD), a global partnership effort. All CSI member companies have voluntarily charted for themselves the "Low Carbon Technology Roadmap for the Indian Cement Industry" with time bound targets leading to the year 2050. This incorporates a commitment to reduce CO_2 emissions.

The Company's carbon footprint continues to be among the industry's best-in-class though specific CO_2 emissions during the year 2016 was 545 kg per tonne of cement as against 533 kg CO_2/tonne of cement in 2015, representing an increase of ~2%. This was mainly due to prevailing market conditions, increased demand for OPC and lower capacity utilization.

Your Company is among the leading Indian business houses that have participated in the Carbon Disclosure Project (CDP), a global not-for-profit organization and continued to be ranked high in terms of its disclosure forming part of the Carbon Disclosure Project index.

15.2 Clinker Factor

Reducing the clinker factor in cement is an important pillar of the Low Carbon Technology Roadmap for the Indian Cement Industry. Your Company strives to achieve this through the promotion of blended cements using slag and flyash. Increasing demand for Ordinary Portland Cement (OPC) during the year 2016 has resulted in decrease in share of Blended Cements in the total product portfolio to 83.5%.

When fully stabilized, the newly commissioned Jamul Integrated project with its grinding units in Jamul and Sindri, geared to offer superior varieties of Portland Slag Cement, will augment the Company's overall blended cements portfolio which will in turn serve to reduce the overall clinker factor and thus help in cutting Specific CO_2 emissions in the coming years.

15.3 Alternative Fuels and Raw Materials (AFR):

Your Company is leading the initiative to provide waste management solutions to waste generating industries and organizations in the country through co-processing of wastes in cement kilns.

The co-processing infrastructure was strengthened following the establishment of two pre-processing facilities at Wadi in Karnataka and Kymore in Madhya Pradesh in 2014. As these facilities stabilize and pick up momentum, they serve to increase the Company's capacity to handle larger volumes of waste with greater ease and safety, while ensuring zero harm to the environment, communities and ensuring product quality. A third preprocessing facility at Madukkarai, Tamil Nadu is under execution.

Your Company is redoubling its efforts to expand its capacity to manage higher waste volumes in the near future thereby increasing thermal substitution rates and securing alternative fuels & resources for use in cement manufacturing process to replace naturally mined materials.

With the conviction that co-processing ensures a safe and environmentally sustainable solution for the disposal of hazardous and non-hazardous wastes, the Company has been making consistent efforts through advocacy and stakeholder awareness programmes to ensure that this technology gains more legal traction in the country. These efforts have borne fruit; a legislation brought into force in 2016, recognizes

co-processing as a preferred technology for waste management for all types of waste generated in the country.

15.4 Green Energy

Your Company's renewable energy portfolio consists of 19 MW in the form of wind farms across three States viz. Tamil Nadu, Rajasthan and Maharashtra. During the year 2016, 36.51 million units of renewable energy came from these captive sources.

Additional green power of 1.67 million units was procured through Power Purchase Agreement.

In all, the total Green Energy used was 38.18 million units, representing an increase of 9% as compared to the previous year.

15.5 Power generation through Waste Heat recovery system

The Waste Heat recovery system at Gagal Cement Works generated 49.45 million kWh of electrical energy during the year. This resulted in financial savings of about ₹ 21 crores.

15.6 Controlling Emissions

The Indian cement industry is facing increasing stringency from regional, state and central authorities with regard to regulations and standards formulated by them for permissible levels of various types of emissions including SOx, NOx and particulate airborne emissions.

Your Company endeavours to keep its performance in this respect at levels far better than the regulatory requirement so as to maintain good ambient air quality in its environs. Accordingly various measures were implemented across all operations of the Company to control stack emissions by upgradation/modification/installation of new air pollution control equipments to ensure compliance with new environment regulations and fugitive emissions by installing dust extraction and dust suppression systems.

During the year 2016, your Company had commissioned Hybrid Electrostatic Precipitators (ESP) at Jamul and upgraded Coal Mill Bag House and Cooler ESP at Gagal. Implementation of primary measures for NOx reduction is underway at various plants. Orders for Selective Non Catalytic Reduction (SNCR) were placed for NOx emissions reduction at Kymore and Gagal. Online reporting of emissions and effluents are being uploaded on Central Pollution Control Board (CPCB) website and respective State Pollution Control Boards wherever available.

15.7 Circular Economy

During the year, your Company utilized 3.90 million tonnes of flyash, 2.67 million tonnes of slag, 1.10 million tonnes of crushed rock fines, 0.32 million tonnes of alternative materials, thus providing sustainable environmental friendly services to the nation.

15.8 Water & Nature:

a) Water:

With an objective to continuously improve water performance and to achieve a water positive status, efforts were focused on the following:

(i) Reduction of fresh water intake by lowering water demand in process and non-process areas

(ii) Process optimization and upgradation to water efficient technologies wherever feasible

(iii) Installation of Sewage treatment plants (STP), Effluent Treatment Plants (ETP), Zero Liquid Discharge (ZLD) systems for effective reutilization of waste water. During the year 2016, the Company ordered ZLDs for Wadi and Chanda Cement Works, STPs for Lakheri and Damodhar Cement Works

(iv) Conservation of water by rain water harvesting in plants, mines, colonies, community areas and sustained water harvesting measures

b) Biodiversity

Your Company is committed to the conservation of biodiversity and mine rehabilitation. Efforts on biodiversity conservation are focused on following areas:

(i) To study and assess biodiversity around the limestone mines operated by the Company. During the year biodiversity assessment studies were conducted by an independent third party at Jamul and Chanda Cement Works. With this the Company has completed the biodiversity assessment at all its mining sites

(ii) A biodiversity action plan developed for Gagal Cement Works

(iii) On-ground implementation of activities which conserves biodiversity.

15.9 Green Building Centres

As part of the ongoing programme to promote green, cost-effective and affordable construction in semi-urban and rural India through Green Building Centres, your Company supports local micro-entrepreneurs and small businesses to make and distribute affordable cement-based home building components and pre-fabricated materials such as concrete blocks, sanitation and toilet units, tiles, pavers, roofing, walling, and frames in pursuit of promoting the cause of sustainable construction.

16. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

ACC was chosen from among several leading companies to receive the first ever "ICSI CSR Excellence Awards 2016" instituted by The Institute of Company Secretaries of India to recognize the good practices undertaken by Corporates under the CSR umbrella.

Your Company continued the social development schemes initiated in previous years along with some new interventions to address the developmental needs of host communities around the Company's operations. These projects covered the broad thematic areas of Livelihood, Education, Health & Sanitation that are compliant with Companies Act 2013.

Total CSR expenditure incurred during the year was ₹ 22.27 crore which is higher than the statutory requirement of 2% of the average profit of the last three years.

The Company's community development projects reached out to benefit more than 4.23 lakh people residing in 202 villages across the country.

Education initiatives in the vicinity of plants addressed needs of 36,709 students during the year. Scholarships were awarded to 465 meritorious students belonging to weaker sections of society. Modern methods of learning such as smart classes and interactive kiosks benefited students of 70 rural schools. Efforts were made to provide education to 1,495 girl children as part of the "ACC ki Laadli" project. Support continued to be extended to seven government-run Industrial Training Institutes under the Public Private Partnership Scheme with Ministry of Labour and Employment, Government of India.

About 4,234 unemployed youth received skill development training under the Company's DISHA programme; as on the date of this report, over 60% of them had received job placements in various manufacturing and service sector enterprises. Support was provided for the establishment of 129 new Self Help Groups (SHGs) while existing 1,233 SHGs were trained in institutional strengthening; many of them were assisted in setting up a federation and obtaining registration for it.

Health and nutrition initiatives benefited 28,566 people. 9,731 children received access to better health and nutrition through the support provided to 201 anganwadi centres. Valuable assistance was provided to nearly 5,400 persons through counseling, testing and treatment for HIV/AIDS.

Four villages were declared Open Defecation Free (ODF) during the year, in the corporate campaign to promote access to water, sanitation and improved hygiene practices. The programme, which supports Government's Swachh Bharat Abhiyan, includes the creation, repair and maintenance of toilet and wash facilities in local communities.

Your Company's CSR Footprint has been audited by a third party Social Audit team comprising renowned experts from development sector, led by Head of DOC Research Institute, an independent international think-tank organization.

The Corporate CSR Policy has been re-stated making it more comprehensive and in addition to alignment with the requirements of the Companies Act, 2013 and Global Goals it has also been aligned with the LH Group's CSR Policy. The CSR Policy Statement and Report on the activities undertaken during the year is annexed to the Board's Report in Annexure 'A'

17. HEALTH & SAFETY (H&S)

17.1 H&S Improvement Plan

The key focus area during the year was implementation of the Health & Safety Improvement Plan (HSIP). This was prepared based on the feedback and involvement of the Company's senior management. The plan contained seven Health & Safety (H&S) objectives, clearly indicating the ownership of each objective assigned to a senior executive. Salient aspects of the HSIP comprised H&S Leadership & Accountability, People's H&S Capability, H&S management systems, Road Safety and Electrical Safety.

The launch of Visible Personal Commitment (VPC) - a systematic tool for senior executives and management staff to interact with shop floor people on safety matters and take feedback - has helped demonstrate enhanced safety leadership capabilities and Management's commitment. This initiative is expected to be critical in the endeavour to reach the goal of Zero Harm.

H&S audits were conducted during the year. Electrical Safety audits were conducted at all cement manufacturing units by external experts with an objective to carry out a systematic, critical appraisal of all potential electrical hazards involving personnel, premises, services and operation method and to review compliance of electrical (installation & maintenance) with reference to the statutory regulations, international standards and Industry best practices.

A drive to use Personal Protective Equipment (PPE) was strengthened with the initiation of a reward and consequence management approach.

A number of specialized training programs were organized targeting different work groups to enhance their H&S capability. These included topics like NEBOSH International General Certificate, Risk Assessment, H&S auditing, Incident Investigations and behavior based training on "Developing Safety Commitment".

Employees and workmen of contractors at all locations participated enthusiastically in the Group's Global H&S days campaign "I care, I share, I act" which included competitions for poster drawing and slogan writing. During the campaign, the Company's leadership team also connected with all employees over a webcast to re-emphasize the importance of H&S in the organization.

17.2 Health Initiatives

Your Company pursued its well-structured approach to reduce health risk factors among employees and their families. Numerous steps were taken to enhance medical facilities at plants and engage with employees and their families to create awareness and build capabilities.

Infrastructure and facilities were upgraded at the hospitals of four plants. Emergency Medical Response (EMR) capabilities have been optimized at all cement manufacturing units through steps such as outsourcing ambulance services which ensures round-the-clock availability of trained EMR technicians. Other arrangements are also being tied up to secure excellent pre-hospital care in the event of any medical emergency, trauma or any other health care issue concerning employees such as the use of air ambulances.

Significant steps were initiated to induct digitization in the field of employee health. An on-line health management system is being developed which will standardize health processes across all units. It will facilitate the management and retrieval of health data of all employees during their life cycle; this is scheduled to Go live in March 2017.

Other effective measures included the regular use of the Company intranet to disseminate health awareness, conducting health sensitization programmes, personalized health care, identifying health peers from among Shopfloor Associates (SFA) to spread health awareness among employees and their families. Training in office ergonomics was imparted to 500 line managers. 200 teachers from all township schools were trained as part of the "H&S promoting schools initiative" to proliferate and spread awareness among more than 10,000 students.

17.3 Logistics Safety

Logistics is among the most challenging areas in safety, a large part of which relates to offsite situations and environments that cannot be easily influenced. The Company has developed a logistics safety roadmap for 2020, which encompasses an analysis of past incidents, current initiatives and wide-ranging activity-based risk assessments spanning various stages of the shipping cycle from the point a vehicle approaches a plant to its end destination. The plan also prioritizes focus areas based on likelihood, consequence, controllability.

Driver Management Centres were implemented at nine cement plants to educate drivers on various H&S matters and inculcate the right behaviours seen in the context of the three pillars of Driver, Vehicle and Journey Management. Efforts were continued to create greater alertness and awareness among drivers and employees using simulator training, seat belt convincer training and defensive driver training techniques.

External audits were conducted at all cement plants to check the efficacy of logistics safety management.

18. HUMAN RESOURCES

During the year, the Company took many initiatives to increase organizational capability and productivity so as to be value driven and future-ready.

18.1 Productivity improvement

In 2015, the Company implemented its "India Manufacturing Transformation" initiative to introduce a more responsive, efficient and lean organisation design in all cement plants; it incorporated a new way of working with streamlined work practices, enhanced people skills and capabilities and centres of excellence (CoEs) for continuous improvement through exchange of best practices. This was initiated after careful benchmarking of best in class practices of LafargeHolcim plants across the globe. This Organizational reform continued to show its benefits with improvement in productivity by 30%. This is a continuous process through which your Company proposes to transform itself into becoming one of the most productive companies in the country.

18.2 Strengthening core values and performance

Your Company is respected for its strong values and ethics which are embedded in its

corporate culture. During the year, the Company adopted a new set of core values aligned with those introduced by the LafargeHolcim group worldwide. The new code is abbreviated simply as CRISP, an acronym that enjoins emphasis on five distinct values viz. Customer, Results, Integrity, Sustainability and People which now form the basic dimensions of the high performance culture the Company wants its employees to demonstrate in all their actions. These values were cascaded in the Organization through various workshops and activities at all locations for the benefit of all employees and contract labour. The values are recommended to be demonstrated with Agility, Collaboration and Empowerment (ACE) – also a new internal motto adopted for desirable behaviours.

Along with the new set of values, a new Performance Management System has also been put in place.

18.3 Talent Development

Several initiatives were taken to identify, develop and nurture talent at all levels within the Organization through various training programmes and exposure to make them future ready for various positions in the Organization.

A leadership convention was conducted to transform the leadership team in the Manufacturing function. Similarly for the Sales & Marketing function an assessment was undertaken for the front line sales team with a view to benchmark individuals against a global high performer for that role. This behaviour and skill assessment was completed for 1,036 sales profiles. The assessment helped in understanding key motivators that drive performance and retention, enabling the preparation of individual development plans for the sales team.

These interventions have enabled the Company to create succession plans for leadership positions so that the Company's talent pipeline is kept ready to meet future requirements and contingencies.

Talent development efforts are also made in respect of Shopfloor Associates with interventions to help build up-skilling and multitasking capabilities.

18.4 Prevention of Sexual Harassment of Women at the Workplace

The Company is an equal opportunity provider and consciously strives to build a work culture that promotes the dignity of all employees. As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at the workplace. All women - permanent, temporary or contractual, including service providers - are covered under the policy. This has been widely communicated internally and is uploaded on the Company's intranet portal. An internal Committee comprising four management staff is in place which includes three women to redress complaints relating to sexual harassment. Besides in each of the units there is one nodal person to receive and forward complaints to the "First Instance Person (FIP) who is a woman" or directly to the Committee.

During the year the Company received one complaint which was investigated and closed within 90 days.

Awareness programmes were conducted across the Company to sensitize employees to uphold the dignity of their colleagues at the workplace, particularly with respect to prevention of sexual harassment. A few employees also attended training programmes conducted by an external agency.

18.5 Industrial Relations

The Company continued to enjoy peaceful industrial relations during the year. Your Company is known for its best in class workplace practices that has ensured 81 years of industrial harmony,

considered to be one of the best in the country. The Company is proud of its work culture which emphasizes safety, high productivity, good health, quality of life and overall wellbeing of employees.

During the year, an amicable settlement was reached with Pragatisheel Cement Shramik Sangathan (PCSS), a trade union representing a section of contract workers in the old Jamul Plant. The settlement paved the way to resolve their long pending issue in a cordial and mutually beneficial manner.

19. INNOVATION

Your Company's unique track record of innovative research and development has led to its recognition as a pioneer and trendsetter with several breakthroughs in cement and concrete applications over the years. More recently the Company has added many new products that have widened its portfolio of value-added varieties of cement and concrete for special and customized applications. The spirit of innovativeness has helped the Company achieve cost efficiencies in the areas of energy, raw materials sourcing, logistics, customer excellence and manpower optimization leading to productivity improvement.

20. BUSINESS RISKS & OPPORTUNITIES

The Company has a robust Business Risk Management (BRM) process which systematically identifies risks and opportunities and supports the Executive Committee in strategic decision-making. This is a rolling process reviewed periodically at regional and corporate level. It involves mapping of all the risk elements on two parameters viz. likelihood of the event and the impact it is expected to have on the Company's operations and performance. The risks that fall under high likelihood and high impact are identified as key risks for which detailed mitigation plans are developed and integrated with the Mid-Term Planning Cycle and the Audit plan.

Key business risks and their mitigation plans are as described hereinbelow:

Fuel Risk: The manufacture of cement is an energy intensive process requiring large quantities of thermal and electrical energy. Coal and pet coke are the principal fuels used by the Indian cement industry to produce thermal energy. The Company requires more than 5 million tonnes of coal and pet coke to meet the requirements of its kilns and captive power plants. Linkage coal has continued to be in short supply, leaving the Company to source its requirements at higher prices from the domestic open market and from imports. In recent years, pet coke emerged as a viable substitute for coal on account of attractive prices and supply. There is a likelihood that the prices of both coal and petcoke would increase significantly. To mitigate this risk the Company has already initiated steps to progressively increase the usage of Alternative Fuels, improving fuel mix at certain plants, entering into firm contracts for part volume and balance on spot to capture opportunities, spread out purchases throughout the year and explore long term offtake from local refineries.

Fair Competition Directive: The Competition law in India is still evolving and an intensely competitive industry like cement is vulnerable to various interpretations of its provisions which expose it to significant risks that may include administrative, civil or criminal proceedings, financial consequences such as fines and penalties or loss of reputation.

The Company has in place a Fair Competition Directive which entails compulsory adherence by identified employees. Regular training is imparted to all relevant employees through e-learning modules and face-to-face sessions.

Market Actions: The Indian Cement Industry is becoming intensely competitive, with the foray of new entrants and existing players expanding inorganically. This could potentially impact the sales volumes, market share and profitability.

To mitigate this risk, the Company is leveraging its newly created capacity at Jamul and Sindri to increase its market share, enhance its brand equity and visibility, enlarge its product portfolio and service offerings. The Company is also exploring asset light options such as tolling and de-bottlenecking at some of its existing plants to increase volume and market share.

Limestone: As limestone is the primary raw material required in the manufacture of cement, the security of its uninterrupted long-term availability is critical, particularly in view of changing regulations. Under the new Mines and Minerals (Development & Regulation) Amendment Act 2015 (MMDR), leases granted before the commencement of the Act, for captive use are extended upto a period ending on March 31, 2030, or till the completion of their renewal period, whichever is later. Most of the Company's limestone leases thereby get an extension up to March 31, 2030 by virtue of this Act. For new leases, the period of lease will be fifty years from the date of grant.

With the new Act, the earlier policy of deemed renewal has been discontinued and all the mining leases will henceforth be allotted through an auction, which has made it difficult to retain existing leases /acquire new leases. Forest & Wild Life clearances are now a pre-requisite and land acquisition is becoming more challenging and expensive.

To address this risk, the Company plans to secure new mining leases for its existing plants as well as for new expansions at different locations. Further the Company continues to increase consumption of pet coke and additives which enables it to use low grade limestone and thereby conserve minerals and increase the life of the mine.

21. INTERNAL CONTROL SYSTEMS

21.1 Internal Audit and their adequacy

The Internal Audit (IA) function reports to the Audit Committee of the Board, which helps the function to maintain its objectivity and independence. The scope and authority of the IA function is defined in the Internal Audit Charter. The IA Department evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

21.2 Internal Controls Over Financial Reporting (ICFR)

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures 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.

22. INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

Pursuant to the notification, issued by The Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, the Company and its subsidiaries and joint venture company will adopt "IND AS" with effect from January 01, 2017, with the comparatives for the periods ending December 31, 2016.

The implementation of IND AS is a major change process for which the Company had established a project team and had dedicated considerable resources. The impact of the change on adoption of IND AS has been assessed and the Company is ready to adopt IND AS .

23. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named "EthicalView Reporting Policy" (EVRP) to report concerns about unethical behavior, actual/ suspected frauds and violation of Company's Code of Conduct and/or Ethics Policy. Protected disclosures can be made by a whistle blower through several channels. The Audit Committee of the Board oversees the functioning of the EthicalView Reporting Policy. The Company has disclosed the details of the EthicalView Reporting Policy on its website http://www.acclimited.com/assets/new/pdf/ethicalViewPolicy.pdf

During the year, the Company reached out extensively to employees to conduct greater awareness on Fair Competition Directive and on Anti Bribery and Corruption Directive (ABCD) through e-learning modules and face-to-face training sessions, achieving a high level of engagement and compliance. This reflected your Company's strong commitment to "Zero tolerance" for non-compliance in this regard and to do business with integrity.

24. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

24.1 SUBSIDIARIES

Bulk Cement Corporation (India) Limited (BCCI)

During the year under review, BCCI handled cement volumes of 10.13 lakh tonnes as against 10.02 lakh tonnes in 2015. The Profit before tax and exceptional items for the year 2016 was ₹ 3.89 crore as against ₹ 3.04 crore in the year 2015.

ACC Mineral Resources Limited (AMRL)

This Company had entered into a Joint Venture with Madhya Pradesh State Mining Corporation Limited (MPSMC) for the development of four coal blocks allotted to MPSMC by the Government of India. Pursuant to Orders of the Supreme Court passed in August 2014 and September 2014, the allocations of four coal blocks to MPSMC were cancelled by the Government of India along with all other coal blocks. AMRL did not have any operating income during the period under review.

OTHER SUBSIDIARIES

The Company has three other Subsidiary Companies, viz. Lucky Minmat Limited, National Limestone Company Private Limited and Singhania Minerals Private Limited. These are limestone deposit companies.

24.2 MATERIAL SUBSIDIARIES

None of the subsidiaries mentioned in para 24.1 above is a material subsidiary whose income or net worth in the immediately preceding accounting year exceeds twenty percent of the consolidated income or net worth respectively of the Company and its subsidiaries.

The Board of Directors of the Company has approved a Policy for determining material subsidiary in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy has been uploaded on the Company's website at http://www.acclimited.com/assets/new/pdf/CG/Determiningmaterialsubsidiaries.pdf

24.3 JOINT VENTURE /ASSOCIATE COMPANIES

OneIndia BSC Private Limited is a Joint Venture Company with equal participation with Ambuja Cements Limited to provide back office services to the two Companies with respect to routine transactional process.

As on December 31, 2016, the following is a list of Associate Companies:

- Alcon Cement Company Private Limited
- Aakaash Manufacturing Company Private Limited
- Asian Concretes and Cements Private Limited

25. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the year 2016 are prepared in compliance with the applicable provisions of the Companies Act, 2013, and as stipulated under

Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The audited consolidated financial statements together with the Auditors' Report thereon form part of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013, a Statement containing salient features of the financial statements of each of the Subsidiaries, Associates and Joint Venture Companies in the prescribed Form AOC-1 is attached.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Financial Statements of the subsidiary and joint venture companies are kept for inspection by the Members at the Registered Office of the Company. The Company shall provide free of cost, a copy of the financial statements of its subsidiary companies to the Members upon their request. The statements are also available on the website of the Company at www.acclimited.com under the Investors section. The consolidated net profit of the Company and its subsidiaries amounted to ₹ 604.38 crore for the Company's financial year ended December 31, 2016 as compared to ₹ 587.60 crores for the previous year.

26. AMALGAMATION OF HOLCIM INDIA PRIVATE LIMITED WITH AMBUJA CEMENTS LIMITED

Through a Scheme of Amalgamation between Holcim (India) Private Limited and Ambuja Cements Limited, your Company has become a subsidiary of Ambuja Cements Limited with effect from August 12, 2016 while the ultimate Holding Company remains unchanged viz. LafargeHolcim Ltd.

27. CHANGES IN PROMOTER HOLDING

During the year, Holderind Investments Limited one of the Promoters of the Company has purchased through the Stock Exchange 78,70,000 Equity Shares of the Company constituting 4.19% of the Equity Share Capital. The total Promoter shareholding of the Company hence stands increased to 54.53% from 50.34%.

28. DIRECTORS & KEY MANAGERIAL PERSONNEL

28.1 Change in Directorate

The Board of Directors has accepted the resignation of Mr Harish Badami, Chief Executive Officer & Managing Director of the Company with effect from February 4, 2017.

The Board of Directors has placed on record its warm appreciation of the rich contribution made by Mr Harish Badami and the leadership provided by him during his tenure as CEO&MD of the Company.

The Board of Directors has appointed Mr Neeraj Akhoury as an Additional Director on the Board of the Company with effect from December 16, 2016 and has nominated him as MD&CEO (Designate).

Mr Neeraj Akhoury takes charge as Managing Director & CEO with effect from February 4, 2017 upon Mr Harish Badami demitting his office.

28.2 Directors coming up for retirement by rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr N S Sekhsaria and Mr Martin Kriegner retire by rotation and being eligible offer their candidature for re-appointment as Directors.

28.3 Independent Directors

The Independent Directors hold office for a fixed period of five years from the date of their appointment at the Extraordinary General Meeting held on September 10, 2014 and are not liable to retire by rotation.

In accordance with Section 149(7) of the Companies Act 2013, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of

independence as mentioned under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

28.4 Board Effectiveness

a. Familiarization Program for the Independent Directors

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates, business model etc. Details of the Familiarization Programme are explained in the Corporate Governance Report and are also available on the Company's website at http://www.acclimited.com/assets/new/pdf/CG/Familiarization-Programme-for-Independent-Directors.pdf

b. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The criteria applied in the evaluation process are explained in the Corporate Governance Report.

28.5 Key Managerial Personnel

Pursuant to the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the following are the Key Managerial Personnel:

- Mr Sunil Nayak, Chief Financial Officer
- Mr Burjor D Nariman, Company Secretary & Head Compliance
- Mr Harish Badami, CEO & Managing Director (upto February 3, 2017)

28.6 Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior leadership positions.

A well-defined criteria is in place for the selection of candidates for appointment as Directors, Key Managerial Personnel and senior leadership positions. The relevant information has been given in Annexure 'B' which forms part of the Board's Report.

28.7 Remuneration Policy for Directors

The policy for remuneration of directors, Key Managerial Personnel and ExCo Members is set out in Annexure 'C' which forms part of the Board's Report.

29. MEETINGS

29.1 Board Meetings

During the year seven Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

29.2 Audit Committee

The Audit Committee comprises five members. The Chairman of the Committee is an Independent Director. The Committee met seven times during the year. Details of the role and responsibilities of the Audit Committee, the particulars of meetings held and attendance of the Members at such Meetings are given in the Corporate Governance Report.

29.3 CSR Committee

The CSR Committee comprises four members of which three are Independent Directors. The Chairman of the Committee is an Independent Director. The Committee met twice during the reporting period. Details of the role and functioning of the Committee are given in the Corporate Governance Report.

30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions with Related Parties are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a certificate from the CEO & MD and the CFO. Your Company has developed a Related Party Transactions Manual, Standard Operating Procedures for the purpose of identification and monitoring of Related Party transactions.

All transactions entered into with related parties during the year were on arm's length basis, in the ordinary course of business and in line with the threshold of materiality defined in the Company's policy on Related Party Transactions which can be accessed through weblink http://www.acclimited.com/assets/new/pdf/CG/PolicyonRPT.pdf. In particular there were no material transactions with related parties (i.e. transactions exceeding 10% of the annual consolidated turnover entered into during the year as per the last audited financial statements). Accordingly, no transactions are required to be reported in Form AOC 2. The details of transactions entered into with related parties is given in Note No. 34 of the Notes to Accounts.

None of the Directors and the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Appeal before Competition Appellate Tribunal (COMPAT)

The Competition Commission of India (CCI)had originally passed an Order in June 2012 against several cement manufacturing companies, including the Company, in the matter of a complaint filed by the Builders' Association of India for alleged violation of the provisions of Sections 3 and 4 of the Competition Act and in terms of the said Order, imposed a penalty of 0.5 times of the profit of the Company for the year 2009 (calculated prorata from May 20, 2009) and for the full year 2010. For the Company the penalty amounted to ₹ 1147.59 crore.

CCI had also passed an Order directing the Company to "cease and desist" from indulging in any activity relating to agreement, understanding or arrangement on price, production and supply of cement in the market.

Pursuant to an Appeal filed by the Company before the Competition Appellate Tribunal (COMPAT), the said order of CCI of June 2012 was stayed, subject to deposit of 10% of the amount of penalty. Thereafter COMPAT by its order dated December 11, 2015 set aside CCI's Order of June 20, 2012, remanding the matter back to the CCI for a fresh hearing and adjudication. Further in terms of the said Order, the deposit amount along with interest thereon was refunded to the Company.

CCI on rehearing the arguments, by its order dated August 31, 2016, once again held that the cement companies and the Cement Manufacturers' Association (CMA) are guilty and in violation of the Sections 3(1) read with 3(3)(a) and 3(3)(b) of the Competition Act and imposed the same penalty which in the case of the Company again works out to ₹ 1,147.59 crore. The usual order for cease and desist was also imposed.

The Company thereafter approached the COMPAT, which by its order dated November 7, 2016 stayed the operation of the CCI order of August 31, 2016 subject to deposit of 10% of the penalty amount within one month. The Company accordingly deposited an amount of ₹ 114.76 crore in December 2016 in the form of a bank Fixed Deposit in favour of COMPAT on behalf of the Company. The case is now pending before the COMPAT.

As at December 31, 2016, the penalty amount of ₹ 1147.59 crore and interest thereon is disclosed as a contingent liability in the Notes to Accounts (Refer Note 36(A)(d)(i)).

Subsequent Event:

CCI's Order on Complaint filed by Director, Supplies & Disposals, State of Haryana in 2013

In January 2017, the Competition Commission of India (CCI) passed an Order against seven cement manufacturers including the Company imposing a penalty calculated at the rate of 0.3% of the average turnover of the last three years viz. 2012-13, 2013-14 and 2014-15. In respect of the Company the amount of penalty works out to ₹ 35.32 crore. The said Order was issued on the basis of a complaint filed in 2013 by the Director, Supplies & Disposals, State of Haryana before the CCI.

The Company believes it has a strong case on merits to challenge the Order and plans to file an appeal before the Competition Appellate Tribunal (COMPAT) As at December 31, 2016, the penalty amount of ₹ 35.32 crore is disclosed as a contingent liability in the Notes to Accounts (Refer Note 36(A)(d)(ii)).

32. AUDITORS

32.1 Statutory Auditors

As per the provisions of Section 139 of the Companies Act 2013, the term of office of M/s S R B C & CO LLP, as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by M/s S R B C & CO LLP as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration Number 117366W/W-100018) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Members' attention is drawn to a Resolution proposing the appointment of Deloitte Haskins & Sells LLP as Statutory Auditors of the Company which is included at Item No 5 of the Notice convening the Annual General Meeting.

32.2 Cost Auditors

On the recommendation of the Audit Committee, the Board of Directors appointed M/s D C Dave & Co., Cost Accountants (Firm Registration No 30611), as Cost Auditors of the Company for the year 2017 under Section 148 of the Companies Act 2013 read with The Companies (Cost Records and Audit) Amendment Rules 2014. M/s D C Dave & Co have confirmed that they are free from disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141 (4) of the Companies Act 2013 and that their appointment meets the requirements of Section 141 (3) (g) of the Companies Act 2013. They have further confirmed their independent status and an arm's length relationship with the Company.

M/s N I Mehta & Co. Cost Accountants (Firm Registration No. 000023) who were earlier the Cost Auditors of the Company have given their "No Objection" certificates for the appointment of M/s D C Dave & Co as the Cost Auditor for the year 2017.

The Board of Directors has placed on record its appreciation of the service rendered by M/s N I Mehta & Co.

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 for seeking Members' ratification for the remuneration payable to M/s D C Dave & Co, Cost Auditor is included at item No 8 of the notice convening the Annual General Meeting.

32.3 Secretarial Audit

The Company has appointed Messrs Pramod S Shah & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure 'D'.

33. AWARDS

Your Company received numerous awards and felicitations during the year from distinguished bodies for achievements in fields as diverse as Health & Safety, financial reporting excellence, sustainable development, CSR and business communication. Notable among these are the first ever award instituted for excellence in CSR by The Institute of Company Secretaries of India and the CII-ITC Sustainability Award 2016 for Corporate Excellence.

CSR

- 'First ICSI CSR Excellence Awards 2016' instituted by The Institute of Company Secretaries of India in the Award Category 'Best Corporate – Medium'
- 'FIMI - Sita Ram Rungta Social Awareness Award' to the Company's Jamul Limestone Mine conferred by the Federation of Indian Mineral Industries (FIMI)
- 'BT-CSR Excellence Award 2016' awarded by CII to the Company's Jamul plant as 'CSR Company of the Year' for its CSR initiatives particularly DISHA.

SUSTAINABILITY

- CII-ITC Sustainability Awards 2016 for Corporate Excellence - Outstanding Accomplishment - in category "A Large Companies" by the CII-ITC Centre of Excellence for Sustainable Development
- The Company's featured in CII's list of ten Sustainable Plus Platinum 2015 companies and rated "India's Most Sustainable"
- CII National Award in the category 'Energy Efficient Unit' for Excellence in Energy Management 2016 conferred on Chanda, Kymore, Thondebhavi and Wadi Cement Works at the 17th CII National Award Function
- '4 Star Rating' by the Ministry of Mines, Government of India awarded to Jamul Limestone Mines

HEALTH & SAFETY

- NSCI Shreshtha Suraksha Puraskar awarded to ACC Sindri by the National Safety Council
- 'FIMI - Health & Safety Award 2015-16' received by ACC's Wadi Limestone Mine instituted by the Federation of Indian Mineral Industries (FIMI)
- State level Safety award for Plant safety performance & State level Best Safe Worker award from Dept. of Factories, Boilers, Industrial Safety & Health, Govt. of Karnataka presented to ACC Kudithini plant.

WASTE MANAGEMENT

- GreenCo Best Practices Award 2016 for the best practices in waste management to Kymore plant
- Clean & Green India 2016 Award for solid waste management initiatives of the company awarded to Madukkarai plant.

FINANCIAL EXCELLENCE

- The Company's Annual Report 2015 won the highest award for excellence in Financial Reporting from the institute of Chartered Accountants in India.
- 13th National award for Excellence in Cost Management conferred by The Institute of Cost Accountants of India

- Your Company has been adjudged Second Runner-Up (Joint) in the Manufacturing Sector as the recipient of Best Presented Annual Report Awards 2015 by South Asian Federation of Accountants (SAFA)

LOGISTICS

ACC was awarded for logistics excellence in "Supply Chain Technology Advancement/Solution Implementation" category at the Manufacturing Supply Chain Awards 2016.

COMMUNICATIONS

- Association of Business Communicators of India (ABCI) - Gold award to "ACC Community Counts" - A Collection of Case Studies, Silver to "Together for Communities", ACC's CSR newsletter and Silver to ACC's "Sustainable Development Report 2015" at the 56th ABCI Awards
- Association of Business Communicators of India (ABCI) - Gold award to ACC Logistics Safety Excellence programme, Silver to ACC Parivar (Hindi) and Bronze to Sustainable Development Report 2014 at the 55th ABCI Awards.

OTHERS

- National Institute of Industrial Engineering's 'Lakshya Avartan - On the Job Achiever's Contest' Award to ACC Concrete - Sales and Marketing.

34. ENHANCING SHAREHOLDERS VALUE

The creation of maximum value for shareholders is among your Company's principal objectives of strategic planning. Central to the Company's decision-making process is a systematic focus on the allocation and utilization of all corporate resources in the most profitable and productive manner so as to create value for all its stakeholders. Your Company's strategic operations are managed with a view to achieve the highest possible levels of operating performance and cost competitiveness, strengthening its productive assets and resource base, building for growth, while nurturing corporate reputation. In this the Company is guided by the philosophy of ensuring that all of its strategic corporate actions are aligned towards sustainable development and thus have a positive impact on the economic, societal and environmental dimensions.

35. CORPORATE GOVERNANCE

The Annual Report contains a separate section on the Company's corporate governance practices, together with a certificate from the Company's Auditors confirming compliance, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

36. BUSINESS RESPONSIBILITY REPORTING

A separate section on Business Responsibility forms part of this Annual Report as required under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

37. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is provided in Annexure 'E' to the Directors' Report.

38. EXTRACT OF ANNUAL RETURN

Details forming part of the extract of the Annual Return in form MGT 9 is enclosed as Annexure 'F'.

39. PARTICULARS OF EMPLOYEES

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as Annexure 'G' to the Board's Report.

The information in respect of employees of the Company required pursuant to Rule 5 of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

40. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

a. that in the preparation of the annual financial statements for the year ended December 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies as mentioned in Note 2 of the Notes to the Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on December 31, 2016, and of the profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual accounts have been prepared on a going concern basis;

e. that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and

f. that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

41. INTEGRATED REPORTING

Your Company believes in transparent reporting that is value-friendly to shareholders and investors. The Company's Annual Reports, including the last one for the year 2015, have received the highest awards for excellence in financial reporting from the Institute of Chartered Accountants of India (ICAI) several times in recent years. The Annual Report for 2015 was forwarded by ICAI to the South Asian Federation of Accountants (SAFA) who adjudged it as one of the winners.

The Annual Report carries a detailed section containing the "Business Responsibility Report". Since 2007 the Company also publishes an annual Corporate Sustainable Development Report conforming to the guidelines of the Global Reporting Initiative. The reports for 2014 and 2015 were based on the GRI G4 guidelines in accordance with the "Comprehensive" option and were externally assured.

As one of the Top 500 listed companies, the Company is studying the requirements of the Integrated Reporting Framework and will place an integrated report on its website in due course.

42 ACKNOWLEDGEMENTS

The Directors gratefully acknowledge the support received by the Company from the Central and

State Government Ministries and Departments, shareholders, customers, business associates, bankers, employees, trade unions and all other stakeholders.

43. CAUTIONARY STATEMENT

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

For and on behalf of the Board of Directors

N.S. Sekhsaria
Chairman

Mumbai
February 03, 2017

ANNEXURE - A

CSR POLICY STATEMENT

(APPROVED BY THE BOARD OF DIRECTORS ON DECEMBER 8, 2015)

Our vision is to be one of the most respected companies in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees, and host communities.

Our CSR initiatives focus on the holistic development of our host communities while creating social, environmental and economic value to society.

To pursue these objectives we will continue to:

- Uphold and promote the principles of inclusive growth and equitable development.
- Devise and implement Community Development Plans based on the needs and priorities of our host communities and measure the effectiveness of such development programmes
- Work actively in the areas of Livelihood advancement, Enhancing employability and Income Generation, Improving Quality and reach of Education, Promoting Health and Sanitation, conserving the Environment and supporting local Sports, Arts and Culture
- Collaborate with like-minded bodies such as Governments, Civil Society Organisations and Academic Institutions in pursuit of our Goals.
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

ANNEXURE - A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   CSR Policy is stated herein below:

   Web link: http://www.acclimited.com/source/new/csr/CSR-Policy-finalised-after-28Nov2016-Board-CSR-Committee-meeting.pdf

2. **The Composition of the CSR Committee:**

   Mr. Shailesh Haribhakti,
   Chairman (Independent Director)

   Ms. Falguni Nayar,
   Member (Independent Director)

   Mr. Farrokh K Kavarana,
   Member (Independent Director)

   Mr. Harish Badami,
   Member (Executive Director, CEO and MD)

3. **Average net profit of the company for last three financial years.**

Years	2015	2014	2013
Net Profit (₹ in Cr)	812.76	1,155.90	1252.44

   Average net profit of the company for last three financial years is ₹ 1073.7 Cr.

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

   ₹. 21.47 Cr

5. **Details of CSR spent for the financial years.**

   a) **Total amount to be spent for the financial year;**

   ₹. 21.47 Cr

   b) **Amount unspent, if any;**

   Not Applicable

c) **Manner in which the amount spent during the financial year is detailed below.**

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
1.	ACC DISHA	Youth Employability (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhattisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga(Karnataka), Coimbatore (Tamil Nadu) and Erode (Tamil Nadu)	4.86	2.80	2.80	2.80

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
2.	ACC- LEISA	Sustainable Agriculture (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka) and Coimbatore (Tamil Nadu)	2.43	3.81	3.81	3.81
3.	ACC - Swavlamban	Women Empowerment (Schedule VII – (iii) Promoting gender, equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	3.24	2.26	2.26	2.26
4.	ACC Vidya Utkarsh	Quality Education (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Shrawasti (Uttar Pradesh), Shahazanhapur (Uttar Pradesh), Jaunpur (Uttar Pradesh), Mirzapur (Uttar Pradesh),Mewat (Haryana), Sirmaur (Himachal Pradesh), Sheopur (Madhya Pradesh), Rudraprayag (Uttarakhand), Alwar (Rajasthan), and Coimbatore (Tamil Nadu)	4.86	4.13	4.13	4.13

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
5.	ACC Vidya Saarathi	Scholarship and support (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	1.62	0.38	0.38	0.38
6.	ACC-Arogyam	Health (Schedule VII – (i) Eradicating hunger poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	2.43	2.67	2.67	2.67
7.	ACC - Sampoorn Swachhata	Sanitation (Schedule VII – (i) Eradicating hunger poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Coimbatore (Tamil Nadu)	2.43	3.70	3.70	3.70

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
8.	ACC Sanrakshit Paryavaran	Conservation of Environment (Schedule VII – (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Coimbatore (Tamil Nadu) Aurangabad (Maharashtra) and Beed (Maharashtra)	0.81	1.89	1.89	1.89
9.	ACC -Drona	Promoting Local, Arts and Culture (Schedule VII – (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports) (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	0.81	0.63	0.63	0.63
	TOTAL			**23.49**	**22.27**	**22.27**	**22.27**

* Details of some of the implementing agencies –

1. ACC MAVIM Loksanchalit Sadhan Kendra - CMRC- Ghugus, 2. Agranee Jan Kalyan Anusthan, 3.Akruti Rural Development Trust, 4. Amhi Amchya Arogyasathi, 5. Patang, Sambalpur, Odisha, 6. CENTUM Foundation, New Delhi, 7. Count India, 8. Sneh Sarvoday Seva Sangh, 9. Sadbhavna Seva Evam Shiksha Sansthan, Allahabad 10. Dehat (Developmenal Association for Human Advancement) Bahraich, 11. Dilasa Janvikas Pratishthan, Aurangabad, 12. Forum for Rural Development (FORD), 13. Jharkraft, Ranchi, Jharkhand 14. HARITIKA, 15. Himachal Pradesh Voluntary Health Association(HPVHA), Shimla, 16. Billimoria Foundation, Mumbai 17. IIMPACT, New Delhi, 18. PHIA Foundation, Ranchi, Jharkhand 19. Jan Mangal Sansthan, 20. Jan Sevak Samiti, Bhilai, 21. DEEDS, 22. Lokakalyan Parishad, 23. Mahashakti Foundation, 24. Mahatma Gandhi Integrated development and Education Institute, Bandikui, Rajasthan, 25. Naad Gunjan Kala Parishad, 26. Manthan Yuva Kendra, Ranchi, Jharkhand 27. Pancham Research and Bio tech Sansthan , Lucknow, 28. SANSKAR, 29. Sarva Seva Samiti Sanstha, 30. SATTVA Media and

consulting Pvt. Ltd, Bangalore, 31. SEEDS, 32. Self reliant initiatives through joint action (SRIJAN), 33. SERDS, Kadirannagari Palli, Bagepalli Tal, 34. Centre for Rural Developmental Trust, Karura, Tamil nadu, 35. Udyogini, 36. WESTRIC TRUST, 37 Loka Kalyan Parishad, 38. Shelter Trust, Namakkal, Tamil Nadu, 39. Saraswathi Women Educational Service Training Improvement Centre, Dindigul, Tamil Nadu, 40. Pratham Books, New Delhi 41. Vision Springs, New Delhi, 42. MART, NOIDA, Uttar Pradesh, 43. Innovative Development Solution.

** Company has spent overheads in addition of ₹ 22.27 Crore.

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its board report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objective and Policy of the company.

ACC CSR projects were designed, implemented and periodically monitored based on need assessment reports and CSR Policy of the Company, which in turn is based on and implemented with statutory requirements.

Sd/ HARISH BADAMI CEO and Managing Director	Sd/ SHAILESH V. HARIBHAKTI Chairman, CSR Committee

ANNEXURE 'B' TO BOARD'S REPORT

CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF THE EXECUTIVE COMMITTEE

The Nomination & Remuneration Committee plays an important role in ensuring that there is a formal and transparent process for appointment to the Board of Directors and is, interalia, responsible for identifying potential candidates for appointment as Directors. The Committee takes into account the Board's existing composition vis-a-vis the need to have a broad based and diverse Board commensurate with the size and complexity of the Company's operations. This ensures that the Company gets the maximum benefit from the contributions and deliberations of an accomplished and diverse group of individuals and professionals, that issues are discussed from different angles fostering creativity in the Board's decision making process as well as provide for comprehensive strategic planning and effective risk management at the highest level.

Some of the important criteria considered by the Nomination & Remuneration Committee in identifying candidates for appointment as Directors are:

a. selection of candidates from a wide cross section of industries and professional backgrounds, qualifications, expertise and experience of the candidate, their domain and functional knowledge in the fields of manufacturing, marketing, finance, taxation, law, governance and general management so as to enable the Board to discharge its function and duties effectively;

b. in case of recommendation for appointment of Independent Directors, the Nomination & Remuneration Committee shall also satisfy itself with regard to the independent nature of the Director vis-à-vis the Company;

c. the candidates identified for appointment as Directors should not be disqualified for appointment under Section 164 of the Act;

d. the following attributes / criteria will be considered whilst recommending the candidature for appointment as Director:

   i. age of the candidate;

   ii. integrity of the candidate;

   iii. personal, Professional or Business Standing;

   iv. diversity of the Board;

   v. positive attributes of the candidate;

   vi. in case of re-appointment of Non-Executive Directors, the Nomination & Remuneration Committee whilst making its recommendation to the Board of Directors, shall take into consideration the performance evaluation of the Director and his engagement level.

The Nomination & Remuneration Committee shall meet potential candidates to assess their level of competence, experience and their personal and other positive attributes before making its recommendation to the Board.

For the purpose of assessing the attributes of the candidate, the Committee shall, interalia, take into consideration whether the candidate demonstrates:

- high standards of ethical behaviour;
- positive disposition, good interpersonal and communication skills;
- ability to think independently without being influenced by extraneous circumstances or consideration;
- capability to act with reasonable care, in good faith and in the best interests of the Company and its stakeholders;
- ability to devote time and attention for the business and governance of the Company;
- refrain from situations that may have a direct or indirect conflict of interest with those of the Company;
- acceptance to abide by the Company's Code of Business Conduct.

The Board of Directors (including the Nomination & Remuneration Committee) periodically review vacancies likely to occur on the completion of the tenure of Non-Executive Directors for timely filling of such vacancies.

In the selection of the CEO&MD, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise and experience, domain and functional knowledge required for such office and who demonstrate positive attributes as explained above. The ability of the candidate to adapt to the organizational culture and ethos are also considered. The Committee also ensures that the identified candidate is not disqualified for appointment as a Director. In this regard, the Committee also takes into consideration the recommendations received from any Member of the Committee / Board of Directors. In case of appointment of persons to the Executive Committee, the Nomination & Remuneration Committee considers the recommendation of the CEO&MD in this regard, who shall base his recommendation on the assessment of the qualifications, expertise and experience functional knowledge and skills of the candidate, his/her positive attributes and the ability and agility of the candidate to adapt to the overall organizational culture and ethos

ANNEXURE 'C' TO BOARD'S REPORT

POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF THE EXECUTIVE COMMITTEE

Remuneration Philosophy

The collective responsibility of the Board of Directors is the guiding principle in determining the compensation for Non-Executive Directors, whilst at the same time recognizing and adequately compensating the Chairman of the Board of Directors, the Chairman of the Audit Committee and Members of the Audit Committee and Compliance Committee for the additional responsibilities shouldered by them. The Chairman of the Board is required to provide leadership and balance conflicts of interest, if any, so that decisions are taken in the best interests of the Company and to ensure highest standards of governance. Likewise, the Members of the Audit Committee and the Compliance Committee have the onerous responsibility to respectively ensure adequacy of internal controls, robustness of financial policies and accounting principles and compliance with applicable laws. The Members of the Audit Committee and the Compliance Committee and particularly the Chairman of the Audit Committees is required to spend considerable time for providing guidance to the Management in dealing with major issues.

Remuneration

The remuneration of the Non-Executive Directors is determined within the limits prescribed under Section 179 read with the rules framed thereunder and Schedule V to the Companies Act, 2013 (hereinafter collectively referred to as "the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations").

The Non-Executive Directors of the Company receive remuneration by way of sitting fees for attending the Board / Committee Meetings and commission as detailed hereunder:

i. sitting fees for each meeting of the Board or Committee of the Board attended by the Director, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act;

ii. subject to the approval of the Members in General Meeting, payment of commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the ceiling prescribed under the Act. Pursuant thereto, the total commission payable to the Directors shall not exceed 1% of the net profit of the Company;

iii. the commission is generally paid on a uniform basis, to reinforce the principles of collective responsibility of the Board;

iv. the Nomination & Remuneration Committee may recommend a higher commission for the Chairman of the Board of Directors, taking into consideration his overall responsibility;

v. in determining the quantum of commission payable to the Directors, the Nomination & Remuneration Committee shall make its recommendation after taking into consideration the overall performance of the Company and having regard to the onerous responsibilities required to be shouldered by the Director etc.

vi. the Nomination & Remuneration Committee may recommend to the Board, for the payment of an additional commission to those Directors who are Members on the Audit Committee and the Compliance Committee of the Board, subject to a ceiling on the total commission payable as may be decided;

vii. in addition to the remuneration paid under Clause (ii) and (vi) above, the Chairman of the Audit Committee shall be paid an additional commission, as may be recommended to the Board by the Nomination & Remuneration Committee;

viii. the commission shall be payable on a prorata basis to those Directors who occupy office for part of the year;

ix. the Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

The CSR Committee has decided not to accept any sitting fees and pursuant thereto, no sitting fees are paid to the Members of the CSR Committee for attending CSR Committee Meetings

Remuneration Policy for the Chief Executive Officer & Managing Director (CEO&MD) and Executive Committee Members

The Company's compensation philosophy for the CEO&MD and the Executive Committee Members is broadly guided by the fact that the Company gains a competitive advantage in attracting, retaining and motivating talent. This can be ensured by providing a remuneration structure which when benchmarked with comparable companies within the industry / sector compares favourably so as to attract talent. At the same time the reward proposition is linked to the overall company's performance, individual performance, employee's potential, criticality of the function and its importance for achieving a competitive advantage in business.

Remuneration Policy for the CEO&MD

i. The CEO&MD shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the CEO&MD, within the overall limits prescribed under the Act.

ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

iii. The remuneration of the CEO&MD shall be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component viz. performance bonus and other long term incentives.

iv. in determining the remuneration the Nomination & Remuneration Committee shall consider the following:

   a. the relationship between remuneration and performance;

   b. balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

   c. responsibility required to be shouldered by the CEO&MD, the industry benchmarks and current trends;

   d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

   e. in keeping with best industry practices, to ensure that the remuneration is competitive and that it compares favourably with the Industry.

Remuneration Policy for the Key Managerial Personnel and the Executive Committee Members

i. In determining the remuneration of the Key Managerial Personnel (KMP) and Executive Committee Members, the Nomination & Remuneration Committee shall consider the following:

   a. the relationship between remuneration and performance;

   b. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;

   c. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;

   d. the remuneration including annual increment and performance bonus, is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs/KPIs, industry benchmarks and current compensation trends in the market.

ii. The CEO&MD will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the Nomination & Remuneration Committee for its review.

ANNEXURE 'D' TO BOARD'S REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 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,
ACC Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ACC Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of 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 covering the year ended December 31, 2016, 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 year ended December 31, 2016 according to the provisions of:

(1) The Companies Act, 2013 (the Act) and the Rules made there under;

(2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(4) Foreign Exchange Management Act, 1999 and the Rules and regulations made there under;

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, as amended from time to time;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, as amended from time to time;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS – 1 and SS – 2);

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that

The Board of Directors of the Company appointed MD and CEO (Designate) as an Additional Director on December 16, 2016 due to which the number of Independent Directors were less than that required under the said Regulation from that date till December 31, 2016 by one Director. However, the Company has a period of ninety days to restore the Composition of the Board of Directors in accordance with the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

During the period, all the decisions in the Board Meetings were carried unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure I.

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.

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

We further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs.

ANNEXURE I

To,
The Members
The ACC Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Pramod S. Shah & Associates
(Practising Company Secretaries)

Place: Mumbai
Date: 25/01/2017

Pramod Shah-Partner
Pramod S. Shah & Associates
FCS No.: 334
C P No.: 3804

ANNEXURE II

(1) Employees Provident Fund Act, 1952 and Rules;
(2) Professional Tax Act, 1975 and Rules;
(3) Payment of Gratuity Act, 1972;
(4) Apprentices Act, 1961;
(5) Contract Labour (R&A) Act, 1970;
(6) Employment Exchanges (Compulsory Notification of vacancies) Act, 1959;
(7) Employees State Insurance Act, 1947;
(8) Equal Remuneration Act, 1976;
(9) Income Tax Act, 1961;
(10) Minimum Wages Act, 1948;
(11) Payment of Bonus Act, 1965;
(12) Shops & Establishment Act, 1948;
(13) Finance Act, 2015;
(14) Employees Provident Fund & Miscellaneous Provisions Act, 1952.

Pramod S. Shah & Associates
(Practising Company Secretaries)

Place: Mumbai
Date: 25/01/2017

Pramod Shah-Partner
Pramod S. Shah & Associates
FCS No.: 334
C P No.: 3804

ANNEXURE 'E' TO BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

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

(A1) POWER COST OPTIMISATION

The impact of increasing electrical energy cost was reduced by increased consumption of Open Access power from comparatively cheaper sources. Mix of Open Access power to grid power has been increased from 3% to around 25% at Gagal; from 65% to 93.5% at Thondebhavi; and from 59% to 84% at Kudithini. This resulted in total saving of ₹ 19 Cr. in power cost.

(A2) RENEWABLE POWER OBLIGATION

Your company is trying to reduce the cash outflow for purchase of RECs against Renewable Power Obligation.

The captive wind power generation sources contributed considerably in this front. Besides this, company has sourced 1.67 million units at Gagal to fulfil the Non Solar RPO. This resulted in an additional saving of ₹ 1.2 million in cash outflow.

(A3) CONSERVATION OF ENERGY

The specific energy consumption during the year was vastly impacted by adverse market conditions resulting in reduced capacity utilisation and use of low cost fuel like pet coke and reduction in % of blended cement. However substantial efforts were done by plants to reduce the negative impacts.

Energy conservation and efficiency measures were undertaken in various areas of the cement manufacturing and Captive Power Plants (CPPs), mainly through Operational measures. Few highlights are as under:

- Focus on arresting leakages and pressure drops through Computational Fluid Dynamics (CFD) study
- Detailed CPP audits at Chanda and Bargarh,
- Upgradation of control system
- Capacitor banks have been added to the system across ACC plants to improve plant power factor and also to reduce harmonics.

ACC Chanda was adjudged as Excellent Energy Efficient units by Confederation of Indian Industries (CII), supported by BEE for best practices in energy conservation

Plant wise briefs are as under

- Lakheri - Conventional burner was replaced by Duoflex burner in Kiln, besides introduction of variable speed drives for cooler and Crusher Bag House Fan.
- Chanda - Computational Fluid Dynamics study carried out and mitigation measures taken to reduce pressure drop across coal mill outlet duct.
- Kymore - Computational Fluid Dynamics study carried out for Kiln 2 bag House and mitigation measures taken to improve flow distribution and reduce pressure drop across the bag house.
- Gagal – Installed energy efficient Turbo blowers in both Kiln burners besides replacing the K2 burner with Pyro-jet burner; VRM throughput was increased from 280 to 330 TPH by reduction of feed size and accordingly modifying the mill internals; replaced Preheater fan with Energy Efficient fan; Pressure drop across Raw Mill VRM of Gagal 2 and Preheater Cyclones at Gagal 1 was reduced by taking mitigation action through Computational Fluid Dynamics study; converted Cement Mill-3 into mono-chamber mill; replaced reciprocating type compressors with energy efficient screw compressors.
- Wadi – installed tertiary Air Damper for improvement of thermal energy consumption in Kiln 4; modified coal circuit to increase Coal

Handling Plant out from 80 TPH to 130 TPH for its Captive Power Plant.

- Tikaria – converted twin chamber cement mills to mono chamber with change in feeding arrangement of pre-grinder output.
- Thondebhavi – High efficiency screw compressor was installed to replace existing compressor.
- Kymore - installed Medium Voltage Variable Speed Drive for Preheater fan line-1; replaced Kiln Shell for improvement of thermal energy consumption for line-2;
- Bargarh – Improved Coal Mill productivity from 7.5 TPH to 12.5 TPH by modifications in Liner, thereby improving Kiln productivity; Installed new roller in Slag VRM to improve grinding efficiency.

Green power

- ACC Renewable Energy Portfolio consists of 19 MW in the form of Wind Farms across 3 states and has generated approx 36.51 Million Units of green power. (Rajasthan - 12.47 Million Units, Tamilnadu – 19.92 Million Units, Maharashtra – 4.12 Million units).
- These units helped ACC to meet the Renewable Purchase Obligation (Non Solar) for Madukkarai Plant (TN) & Lakheri Plant (Rajasthan) fully, besides getting power at a very cheaper cost.

In Maharashtra, ACC Thane complex and Bulk Cement Corporation of India, Kalamboli are operating mainly on renewable energy with negligible cost through the ACC wind turbines at Satara, Maharashtra. Besides these, the Renewable Energy Certificates (RECs) generated through the Wind Turbine Generators were used to partly trade off the Non Solar Renewable Power Obligation of Tikaria plant, resulting substantial saving in cash outflow of more than ₹ 42 Lakhs.

- The Renewable Power Obligations of other plants were met by purchasing Renewable Energy Certificates. (Solar & Non Solar).

(a) Additional Proposals being implemented for further conservation of energy

- Process optimisation
- Upgradation of existing fans with high efficiency fans
- Installation of VSDs.

(b) Impact of the above measures for reduction of energy consumption and consequent impact on cost of production -

The measures stated in point (a) above would further improve the thermal and electrical energy efficiency of the Plants.

The capital investment on energy conservation equipments;

Your Company spent ₹ 112 Million on major capex projects for energy conservation, besides implementation low cost capex / opex measures to reduce energy consumption

(B) TECHNOLOGY ABSORPTION

Research & Development (R&D)

1. Specific areas in which R & D is carried out by the Company

a. Maximisation of use of Petcoke as a fuel

b. Improving the grinding efficiency of Petcoke and Coal through inhouse patented process

c. Conservation of resources through maximization of use of low-grade limestone for cement manufacture, improving quality of blended cement through innovative processing utilizing industrial by-products for improved quality Performance of ACC Plants

d. Characterization of Industrial wastes and looking into possibilities environmentally friendly co-processing of wastes in cement manufacture leading to thermal substitution and conservation of natural resources

e. Development of new products or discovering new methods of analysis

f. Development and use of Cement Grinding aid and accelerators for PPC & PSC for improved performance in Concrete and achieving higher % Fly ash in PPC and higher %slag in PSC products .

g. Productivity research for increased efficiency in use of resources Development of application Oriented Cements with decreased CO2 emissions

- Development of Cements tailored for specific market clusters and application segments
- Development of one of its kind cement in India for reducing water seepage
- Development of Masonry cement
- Development of cement based Niche products and dry mix Mortars

h. Quality Benchmarking exercise for different market clusters of ACC products

i. Quality audit from mining to packing as well as labs to ensure proper sampling, ensuring reproducibility & repeatability of evaluation at each stage of manufacturing process, with automation and availability of analysis data through Laboratory information management system (LIMS).

j. Monitoring in all the plants, the Cement performance in Concrete through application oriented testing

2. Benefits derived as result of above R & D

a) Continuous Support in Manufacturing of special high performance products like F2R, Concrete+, Coastal+, ACC Plus+, ACC Gold for specific Market segments / Market climatic conditions

b) Maintain a lead position in all the market clusters of the country

c) Increased absorption of blending materials like fly ash and slags in blended cements

d) Effective use of marginal quality raw materials and fuels with improved clinker quality

e) Effective replacement of the costlier natural Gypsum by cheaper by-products without affecting the quality of cement targeting reduced gypsum cost per T of Cement

f) Fuel efficiency

g) Reduction in Sp.power consumption for grinding

h) Effective use of Statistical Process Control (SPC) at each stage of Cement Manufacture for improving consistency of Operations and consistency in Product Quality

3. Future plan of action

a) Focus on development of products aimed at enhancing use of cement in various applications and development of application Oriented Cement based cementitious material

b) Exploratory research works on the above specified areas

c) Use of waste / by-products in cement manufacture as alternative materials

d) Improve product quality particularly with respect to long term durability and reduction in cost of manufacture

4. Expenditure on R & D

	₹ Crore
Capital	0.09
Recurring (Gross)	8.50
Total	8.59
Total R&D expenditure as percentage of total turnover (%)	0.08

5. Foreign Exchange Earnings & Outgo

	₹ Crore
Foreign exchange earned	0.66
Foreign exchange used	122.17

ANNEXURE 'F' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on financial year ended December 31, 2016
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L26940MH1936PLC002515
Registration Date	August 1, 1936
Name of the Company	ACC Limited
Category / Sub Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Cement House, 121 Maharshi Karve Road, Mumbai - 400020. Tel. No. 022-33024321
Whether Listed Company	Yes
Name, Address and contact details of Registrar and Transfer Agent, if any	The Company has an in-house Share Department at the Registered Office. Tel. No. 022-33024469

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:

Name and Description of the main Product / Service	NIC Code of the Product / Service	% to total turnover of the Company
Cement	3242	90.36
Ready Mixed Concrete	3279	9.64

III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
*Ambuja Cements Limited II Floor Elegant Business Park, MIDC Cross Road B, Andheri East, Mumbai 400059	L26942GJ1981PLC004717	Holding	50.05	2(46)
Holderind Investments Limited Holcim Group Support (Zurich) Ltd. Hagenholzstrasse 85, CH- 8050, Zurich, Switzerland	Foreign Company	Holding	4.48	2(46)
ACC Mineral Resources Limited Cement House, 121, Maharshi Karve Road, Mumbai 400020	U10100MH1930PLC001612	Subsidiary	100	2(87)
Bulk Cement Corporation (India) Ltd. Plot No. W-7, KWC Kalamboli, Dist Raigad 410 218	U99999MH1992PLC66679	Subsidiary	94.65	2(87)
Lucky Minmat Limited G-9/C Kabir Marg, Bani Park, Jaipur 302 016	U14219RJ1976PLC001697	Subsidiary	100	2(87)
National Limestone Company Private Limited G-9/C Kabir Marg, Bani Park, Jaipur 302 016	U26944RJ1981PTC002227	Subsidiary	100	2(87)
Singhania Minerals Private Limited Paryavas Bhavan, 2nd Floor, Block No. 1, Jail Road, Areara Hills, Bhopal 462 011 (MP)	U14109MP1992PTC007264	Subsidiary	100	2(87)
Alcon Cement Company Private Limited 2nd Floor, Velho Bldg, Opp Municipal Garden, Panaji, Goa 403 001.	U26942GA1992PTC001281	Associate	40	2(6)
Asian Concretes and Cements Private Limited SCF-270, Motor market, Mansadevi Road, Chandigarh 160101	U26940CH2009PTC031641	Associate	45	2(6)
Aakaash Manufacturing Company Private Limited. 2nd Floor, Velho Bldg, Opp Municipal Garden, Panaji, Goa 403001.	U55101GA1995PTC001908	Associate	40	2(6)
OneIndia BSC Private Limited No. 003, 'A' Ground Floor, 'The Estate', No. 121 Dickenson Road, Bangalore 560042	U74900KA2015PTC082264	Associate (Joint Venture)	40	2(6)

*Pursuant to the amalgamation of Holcim (India) Private Limted with Ambuja Cements Limited w.e.f. August 12, 2016, all the assets of Holcim (India) Private Limted including the shares held by them in the Company are acquired by Ambuja Cements Limited.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2016)				No. of Shares held at the end of the year (December 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	93888120	0	93888120	50.01	93984120	0	93984120	50.05	0.04
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other.....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	93888120	0	93888120	50.01	93984120	0	93984120	50.05	0.04
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	541000	0	541000	0.29	8411000	0	8411000	4.48	4.19
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Others....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	541000	0	541000	0.29	8411000	0	8411000	4.48	4.19
Total Shareholding of Promoters (A)=A(1)+(A)(2)	94429120	0	94429120	50.30	102395120	0	102395120	54.53	4.23
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	6872626	28620	6901246	3.68	4367431	29300	4396731	2.34	(1.34)
b) Banks / FI	26978360	80271	27058631	14.41	25145987	83356	25229343	13.44	(0.97)
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt. (s)	56475	231340	287815	0.15	56475	231340	287815	0.15	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	1632040	0	1632040	0.87	0.87
g) FIIs / FPIs	28702529	16475	28719004	15.30	26958870	15975	26974845	14.36	(0.94)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	62609990	356706	62966696	33.54	58160803	359971	58520774	31.16	(2.38)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2016)				No. of Shares held at the end of the year (December 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	4245164	125371	4370535	2.33	1632591	104611	1737202	0.93	(1.40)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	14276582	5442857	19719439	10.50	14180526	4721317	18901843	10.07	(0.43)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	2080644	566403	2647047	1.41	1967747	501597	2469344	1.31	(0.10)
c) Others (Specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	215765	215765	0.11	0	215765	215765	0.11	0
ii) Other Foreign Nationals	168901	0	168901	0.09	168989	0	168989	0.09	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	648175	207460	855635	0.46	702822	134158	836980	0.45	(0.01)
v) Clearing Members / Clearing House	207887	0	207887	0.11	107606	0	107606	0.06	(0.05)
vi) Trusts	2163477	0	2163477	1.15	2431317	0	2431317	1.29	0.14
vii) Limited Liability Partnership	854	0	854	0	2323	0	2323	0	0
viii) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	23791684	6557856	30349540	16.16	21193921	5677448	26871369	14.31	(1.85)
Total Public Shareholding (B)=(B)(1)+(B)(2)	86401674	6914562	93316236	49.70	79354724	6037419	85392143	45.47	(4.23)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	180830794	6914562	187745356	100.00	181749844	6037419	187787263	100.00	0

(ii) Shareholding of Promoters (including Promoter Group)

Shareholder's Name	Shareholding at the beginning of the year (January 1, 2016)			Shareholding at the end of the year (December 31, 2016)			% 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	
Holcim (India) Private Limted	93888120	50.01	0	0	0	0	100
Ambuja Cements Limited	0	0	0	93984120	50.05	0	100
Holderind Investments Limited	541000	0.29	0	8411000	4.48	0	4.19
Total	**94429120**	**50.30**	**0**	**102395120**	**54.53**	**0**	**4.23**

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

Shareholder's Name	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1. Holcim (India) Private Limited				
At the beginning of the year	93888120	50.01	-	-
Bought during the year: May 23, 2016 - Market Purchase	96000	0.04	93984120	50.05
Decreased during the year: Pursuant to the amalgamation of Holcim (India) Private Limted with Ambuja Cements Limited w.e.f. August 12, 2016 all the assets of Holcim (India) Private Limted including the shares held by them in the Company are acquired by Ambuja Cements Limited.	93984120	50.05	0	0
At the end of the year	-	-	0	0
2. Ambuja Cements Limited				
At the beginning of the year	0	0	-	-
Increased during the year: Pursuant to the amalgamation of Holcim (India) Private Limted with Ambuja Cements Limited w.e.f. August 12, 2016 all the assets of Holcim (India) Private Limted including the shares held by them in the Company are now held by Ambuja Cements Limited.	93984120	50.05	93984120	50.05
Sold during the year	0	0	93984120	50.05
At the end of the year	-	-	93984120	50.05
3. Holderind Investments Limited				
At the beginning of the year	541000	0.29	-	-
Bought during the year: November 15, 2016 - Market Purchase	7870000	4.19	8411000	4.48
Sold during the year	0	0	8411000	4.48
At the end of the year	-	-	8411000	4.48

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2016

Sr No	Name of Shareholder's	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**LIFE INSURANCE CORPORATION OF INDIA**				
	At the beginning of the year	22174751	11.81	-	-
	Bought during the year	157773	0.08	22332524	11.90
	Sold during the year	1105683	0.59	21226841	11.31
	At the end of the year	-	-	21226841	11.31
2	**ABERDEEN GLOBAL INDIAN EQUITY LIMITED**				
	At the beginning of the year	3768936	2.01	-	-
	Bought during the year	0	0.00	3768936	2.01
	Sold during the year	843936	0.45	2925000	1.56
	At the end of the year	-	-	2925000	1.56
3	**JPMORGAN SICAV INVESTMENT COMPANY (MAURITIUS) LIMITED**				
	At the beginning of the year	2546356	1.36	-	-
	Bought during the year	0	0.00	2546356	1.36
	Sold during the year	265965	0.14	2280391	1.21
	At the end of the year	-	-	2280391	1.21
4	**JPMORGAN INDIA FUND**				
	At the beginning of the year	2115988	1.13	-	-
	Bought during the year	0	0.00	2115988	1.13
	Sold during the year	115000	0.06	2000988	1.07
	At the end of the year	-	-	2000988	1.07
5	**JP MORGAN INDIAN INVESTMENT COMPANY (MAURITIUS) LIMITED**				
	At the beginning of the year	1669343	0.89	-	-
	Bought during the year	80378	0.04	1749721	0.93
	Sold during the year	0	0.00	-	-
	At the end of the year	-	-	1749721	0.93
6	**ICICI PRUDENTIAL BALANCED ADVANTAGE FUND**				
	At the beginning of the year	1292856	0.69	-	-
	Bought during the year	121742	0.06	1414598	0.75
	Sold during the year	946738	0.50	467860	0.25
	At the end of the year	-	-	467860	0.25

Sr No	Name of Shareholder's	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7	**ABU DHABI INVESTMENT AUTHORITY - JHELUM**				
	At the beginning of the year	1358211	0.72	-	-
	Bought during the year	192707	0.10	1550918	0.83
	Sold during the year	41622	0.02	1509296	0.80
	At the end of the year	-	-	1509296	0.80
8	**ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND**				
	At the beginning of the year	1170739	0.62	-	-
	Bought during the year	191236	0.10	1361975	0.73
	Sold during the year	1116867	0.59	245108	0.13
	At the end of the year	-	-	245108	0.13
9	**ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD**				
	At the beginning of the year	1008199	0.54	-	-
	Bought during the year	153629	0.08	1161828	0.62
	Sold during the year	602594	0.32	559234	0.30
	At the end of the year	-	-	559234	0.30
10	**THE NEW INDIA ASSURANCE COMPANY LIMITED**				
	At the beginning of the year	976476	0.52	-	-
	Bought during the year	150021	0.08	1126497	0.60
	Sold during the year	175679	0.09	950818	0.51
	At the end of the year	-	-	950818	0.51

Notes:
The above information is based on the weekly beneficiary position received from Depositories.
The date wise increase or decrease in shareholding of the top ten shareholders is available on the website of the Company www.acclimited.com

(v) Shareholding of Directors and Key Managerial Personnel

Name of the Director	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total Shares of the company
Mr. Shailesh Haribhakti				
At the beginning of the year	0	0	-	-
Bought during the year: September 30, 2016 - Market Purchase	3100	0	3100	0
At the end of the year	-	-	3100	0

Name of the Key Managerial Personnel	Name of the Key Managerial Personnel			
	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total Shares of the company
Mr. Sunil K Nayak Chief Financial Officer				
At the beginning of the year	05	0	-	-
Date wise Increase/ Decrease in shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ Sweat equity etc)	0	0	05	0
At the end of the year	-	-	05	0
Mr. Burjor D Nariman Company Secretary & Head Compliance				
At the beginning of the year	200	0	-	-
Date wise Increase/ Decrease in shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ Sweat equity etc)	0	0	200	0
At the end of the year	-	-	200	0

V. INDEBTEDNESS

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

₹ Crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	35.50	0.02	35.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2.44	-	2.44
Total (i+ii+iii)	-	37.94	0.02	37.96
Change in Indebtedness during the financial year				
Addition (including interest capitalised)	-	13.78	-	13.78
Reduction	-	-	-	-
Net Change	-	13.78	-	13.78
Indebtedness at the end of the financial year				
i) Principal Amount	-	50.02	0.02	50.04
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1.70	-	1.70
Total (i+ii+iii)	-	51.72	0.02	51.74

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Mr Harish Badami (CEO & MD)	Total Amount (₹ lakhs)
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	689.05	689.05
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil
2	Stock Options	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
5	Others	Nil	Nil
	i Deferred bonus	Nil	Nil
	ii Retirals	42.01	42.01
	iii Others	1.01	1.01
	TOTAL	732.07	732.07

B. Remuneration to Other Directors

1. Independent Directors

Particulars of Remuneration	Name of Director						Total Amount (₹ lakhs)
	Mr. Haribhakti	Mr. Roongta	Mr. Dani	Mr. Kavarana	Mr. Gandhi	Ms. Nayar	
Fee for attending Board/ Committee Meetings	8.90	6.80	8.90	10.60	7.30	2.60	45.10
Commission	28.00	28.00	28.00	28.00	34.00	16.00	162.00
Others, Please specify	-	-	-	-	-	-	-
Total (B)(1)	36.90	34.80	36.90	38.60	41.30	18.60	207.10

2. Other Non Executive Directors

Particulars of Remuneration	Name of Director						Total Amount (₹ lakhs)
	Mr. Sekhsaria	Mr. Sharma	Mr. Eric Olsen	Mr. Christof Hassig	Mr. Martin Kriegner	Mr. Bernad Terver - retired during the year	
Fee for attending Board/ Committee Meetings	5.60	1.00	3.60	3.50	8.40	1.90	24.00
Commission	37.00	16.00	16.00	16.00	24.86	3.21	113.07
Others, Please specify	-	-	-	-	-	-	-
Total (B)(2)	42.60	17.00	19.60	19.50	33.26	5.11	137.07

Grand Total {(B)(1)+(B)(2)} = ₹ 344.17 lakhs

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

Sr. No.	Particular of Remuneration	Key Managerial Personnel		
		Mr. Sunil K Nayak Chief Financial Officer	**Mr. Burjor D Nariman** Company Secretary & Head Compliance	**Total Amount ₹ Lakhs**
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	223.66	101.31	324.97
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
5	Others, please specify - Retirals	19.59	11.83	31.42
	Others	3.00	4.34	7.34
	Total (C)	**246.25**	**117.48**	**363.73**

VII. PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES

There were no penalties / punishments / compounding of offences for the year ended December 31, 2016.

N S Sekhsaria
Chairman

Mumbai
February 3, 2017

ANNEXURE 'G' TO BOARD'S REPORT

INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of Remuneration of Non-Executive Directors to the median remuneration of the employees of the Company for the year 2016

Non- Executive Directors	Category	Remuneration in (₹ in Lakhs)		Change %	Ratio to median Remuneration
		2016	2015		
Mr. N. S. Sekhsaria Chairman	Non Executive / Non Independent	37.00	37.00	NIL	8
Mr. Eric Olsen - Dy. Chairman appointed w.e.f. 17.07.2015	Non Executive / Non Independent	16.00	7.32	*	3
Mr. Martin Kriegner - appointed w.e.f. 11.02.2016	Non Executive / Non Independent	24.86	0.00	*	5
Mr. Shailesh Haribhakti	Non Executive / Independent	28.00	28.00	NIL	6
Mr. Sushil Kumar Roongta	Non Executive / Independent	28.00	28.00	NIL	6
Mr. Ashwin Dani	Non Executive / Independent	28.00	28.00	NIL	6
Mr. F. K. Kavarana	Non Executive / Independent	28.00	28.00	NIL	6
Mr Vijay Kumar Sharma	Non Executive / Non Independent	16.00	16.00	NIL	3
Mr Arunkumar Gandhi	Non Executive / Independent	34.00	34.00	NIL	7
Mrs Falguni Nayar	Non Executive / Independent	16.00	16.00	NIL	3
Mr Christof Hassig appointed w.e.f. 09.12.2015	Non Executive / Non Independent	16.00	1.01	*	3
Mr Neeraj Akhoury - appointed as Additional Director w.e.f. 16.12.2016	MD&CEO (Designate) / Non Independent	0.00	0.00	*	0
Mr. Bernard Terver resigned w.e.f. 11.02.2016		3.21	28.00	*	1

* for part of the Year

2. Ratio of remuneration of Key Managerial Personnel (KMP) against the performance of the Company:

CEO&MD & KMP	Remuneration in (₹ in Lakhs)		Ratio to Median Remuneration	Change %	% Increase in CTC of Employees	Ratio of 2016 Remuneration to	
	2016	2015				Revenue	Net Profit
Harish Badami CEO & MD resigned w.e.f. February 4, 2017	732.07	569.55	157	29	9	0.066	1.215
Sunil Nayak Chief Financial Officer	246.25	250.80	53	(2)	11	0.022	0.408
Burjor Nariman Company Secretary & Head Compliance	117.48	124.73	24	(6)	5	0.010	0.195

3. The number of permanent employees on the rolls of the company was 7833.

4. Median remuneration of both the employees and Key managerial Personnel has increased by 12% in 2016 as compared to 2015. Increase in Median remuneration of employees due to wage settlement and normal increment.

5. The ratio of the remuneration of the highest paid director to that employees who are not directors but receive remuneration in excess of the highest paid directors during the year: - Not applicable

6. We affirm that the remuneration paid to the Directors, Key Managerial Personnel and Employees is as per the Remuneration policy of the Company.

7. The explanation on the relationship between average increase in remuneration and company performance: The median remuneration increased by 12 % in 2016 whereas the profit after tax increased by 2%. Increase in Median remuneration of employees due to wage settlement and normal increment The compensation structure is benchmarked from time to time and salary increased during the year are aligned to market forces Reasons for increase in profits have been explained in Directors report .

8. Market Capitalization & price earnings ratio are as under

Years	As at December 31 2016	As at December 31 2015	Increase/ (decrease)(%)
Price Earnings Ratio	41.24	43.07	(4.24)
Market Capitalization (₹ in crores)	24995	25546	(2.15)

The company has not made any public issue of shares

INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 of 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 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.

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, issued by the Institute of Chartered Accountants of India, as 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 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 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 December 31, 2016, its profit, and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 36(A)(d) of the standalone financial statements which describes the following matters:

a. In terms of order dated August 31, 2016, the Competition Commission of India (CCI) has imposed penalty of ₹ 1,147.59 Crores for alleged contravention of the Competition Act, 2002 by the

Company. The Company has filed an appeal against the CCI order before The Competition Appellate Tribunal (COMPAT). The COMPAT has granted a stay on the CCI order on the condition that the Company deposits 10% of the penalty amounting to ₹ 114.76 Crores which has been deposited.

b. In terms of order dated January 19, 2017, the CCI has imposed penalty of ₹ 35.32 Crores pursuant to the reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 by the Company.

Based on the advice of external legal counsel, no provision has been considered necessary by the Company in respect of these matters. Our opinion is not qualified in respect of these matters.

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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;

   (c) The Balance Sheet, Statement of Profit and Loss, and 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 written representations received from the directors as on December 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 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 2 to this report;

   (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 36A(a), 36A(c), 36A(d) and 36B to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: February 3, 2017

ANNEXURE TO AUDITOR'S REPORT

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: ACC Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, other than self-constructed buildings, included in fixed assets are held in the name of the company except for the cases below:-

(₹ Crores)

Sr. No.	Asset Category	Gross Block at December 31, 2016	Net Block at December 31, 2016	Remarks
1	Leasehold Land	4.95	3.31	Title deeds are in name of the entities which got merged with the Company.
2	Freehold Land	1.88	1.88	
3	Buildings	18.20	5.19	
4	Buildings	0.76	0.38	Title deeds pending to be registered in the name of company and necessary steps are being taken in this regard to transfer the title in the name of the company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at December 31, 2016 and no material discrepancies were noticed in respect of such confirmations.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors/ to a company in which the Director is interested to provisions of section 185 of the Companies Act, 2013 is apply and hence not commented upon. Further provisions of section 186 of the Companies Act 2013 respect of loans and advances given, investments made and, guarantees given have been complied with by the company.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Cement and Ready Mix Concrete, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company has generally been regular in depositing with appropriate authorities

undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise and value added tax on account of any dispute, are as follows:

(₹ Crores)

Name of Statute (Nature of Dues)	Period to which the amount Relates	Commissionarate	Appellate authorities & Tribunal	High Court	Supreme Court	Total Amount
Sales Tax (Tax/Penalty/ Interest)	1984-85 to 2013-14	27.38	137.52	127.01	-	291.91
Central Excise Act (Duty/ Penalty/ Interest)	1994-95 to 2013-14	3.61	21.64	0.98	2.34	28.57
Service Tax under Finance Act, 1994 (Tax / Penalty / Interest)	2005-06 to 2015-16	-	20.77	-	-	20.77
Customs Duty Matters (Tax / Penalty / Interest)	2012-13	-	15.03	-	-	15.03
TOTAL		**30.99**	**194.96**	**127.99**	**2.34**	**356.28**

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the company and no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: February 3, 2017

ANNEXURE TO AUDITOR'S REPORT

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of ACC Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ACC Limited ("the Company") as of December 31, 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. 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 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 S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: February 3, 2017

BALANCE SHEET as at December 31, 2016

Particulars	Note No.	2016 ₹ Crore	2015 ₹ Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	187.99	187.95
Reserves and surplus	4	8,473.45	8,255.09
		8,661.44	8,443.04
Non-current liabilities			
Deferred tax liabilities (Net)	5	558.14	469.16
Long-term provisions	6	131.68	119.86
		689.82	589.02
Current liabilities			
Short-term borrowings	7	50.02	35.50
Trade payables :			
Due to Micro and Small Enterprises	37	7.54	4.12
Due to others		1,249.39	869.99
Other current liabilities	8	2,173.11	2,259.82
Short-term provisions	9	606.15	639.33
		4,086.21	3,808.76
TOTAL		**13,437.47**	**12,840.82**
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	10	7,458.85	5,284.78
Intangible assets	10	3.53	0.20
Capital work-in-progress		260.82	2,370.96
Non-current investments	11	235.94	274.55
Long-term loans and advances	12	962.78	1,073.38
Other non-current assets	13	483.05	465.93
		9,404.97	9,469.80
Current assets			
Current investments	14	1,568.27	1,201.15
Inventories	15	1,223.75	1,188.60
Trade receivables	16	467.73	484.35
Cash and bank balances	17	275.58	91.60
Short-term loans and advances	18	437.02	349.84
Other current assets	19	60.15	55.48
		4,032.50	3,371.02
TOTAL		**13,437.47**	**12,840.82**
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN: 00077715

FARROKH K. KAVARANA
Director
DIN: 00027689

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUSHIL KUMAR ROONGTA
Director
DIN: 00309302

VIJAY KUMAR SHARMA
Director
DIN: 02449088

NEERAJ AKHOURY
Director
DIN: 07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

STATEMENT OF PROFIT AND LOSS for the year ended December 31, 2016

Particulars	Note No.	2016 ₹ Crore		2015 ₹ Crore
INCOME				
Revenue from operations (gross)		12,687.72		13,240.71
Less - Excise duty		1,529.38		1,443.88
Revenue from operations (net)	20	11,158.34		11,796.83
Other Income	21	112.71		119.35
Total Revenue			**11,271.05**	**11,916.18**
EXPENSES				
Cost of materials consumed	22	1,587.26		1,739.78
Purchase of traded goods	23	90.17		108.29
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	16.99		0.05
Employee benefits expense	25	778.31		769.87
Power and fuel		2,157.10		2,394.05
Freight and Forwarding expense	26	2,654.66		2,723.00
Finance costs	27	72.87		67.32
Depreciation and amortization expense	28	605.16		652.06
Other expenses	29	2,462.81		2,533.94
		10,425.33		10,988.36
Self Consumption of Cement (net of Excise Duty)		(5.96)		(9.32)
Total Expenses			**10,419.37**	**10,979.04**
Profit before exceptional items and tax			**851.68**	**937.14**
Exceptional items (Refer Note - 41 & 50)			42.81	153.17
Profit before tax			**808.87**	**783.97**
Tax expenses				
Current tax (Including MAT payable of ₹ 117.55 Crore (*Previous year – ₹ Nil)*		235.04		258.81
Less: MAT credit entitlement		(117.55)		-
Net current tax expense		117.49		258.81
Deferred tax		88.98		(66.41)
			206.47	192.40
Profit for the year			**602.40**	**591.57**
Earnings per equity share	30			
{(Face value of ₹ 10 each (*Previous Year - ₹ 10 each*)}				
Basic		₹	32.08	31.51
Diluted		₹	32.00	31.43
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN: 00077715

FARROKH K. KAVARANA
Director
DIN: 00027689

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUSHIL KUMAR ROONGTA
Director
DIN: 00309302

VIJAY KUMAR SHARMA
Director
DIN: 02449088

NEERAJ AKHOURY
Director
DIN: 07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

CASH FLOW STATEMENT for the year ended December 31, 2016

Particulars	2016 ₹ Crore	2015 ₹ Crore
A. Cash flow from operating activities		
Net Profit before Tax	808.87	783.97
Adjustments for:		
Depreciation and Amortisation expense (including Exceptional item in previous year)	605.16	805.23
Loss / (Profit) on sale / write off of fixed assets (Net)	(20.46)	30.45
Provision for diminution in the value of Non-current Investment (Refer Note - 41)	42.81	15.15
Gain on sale of current investments	(21.15)	(22.24)
Dividend income	(7.64)	(2.04)
Interest income	(62.45)	(93.60)
Finance costs	72.87	67.32
Provision for doubtful debts and advances (Net)	10.24	13.64
Bad debts written off	0.51	0.32
Provision for slow and non moving Stores & Spare parts	12.69	8.36
Provision no longer required written back	(23.68)	(10.66)
Unrealised exchange gain (Net)	(2.80)	(2.25)
Capital Spares Consumed	28.11	38.56
Operating profit before working capital changes	1,443.08	1,632.21
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
Decrease / (Increase) in Trade receivables, loans & advances and other assets	(77.57)	(217.32)
Decrease / (Increase) in Inventories	(47.84)	58.63
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase / (Decrease) in Trade payables, Other liabilities and Provisions	334.16	216.63
Cash generated from operations	1,651.83	1,690.15
Direct tax paid - (Net of refunds)	(271.71)	(228.91)
Net Cash flow from operating activities	**1,380.12**	**1,461.24**
B. Cash flow from investing activities		
Loans to subsidiary company	(0.20)	-
Payment received against loan given to subsidiaries	-	3.08
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(518.88)	(1,168.14)
Proceeds from sale of Fixed Assets	21.33	3.86
Proceeds from sale of current investments	21.15	22.24
Purchase of Investment in joint venture company	-	(2.50)
Purchase of Investment in subsidiary company	(0.50)	-
Investment in bank deposits (having original maturity for more than 3 months) and Margin money deposit	(134.95)	(0.11)
Redemption / maturity of bank deposits (having original maturity for more than 3 months)	0.05	129.38
Dividend received from Associates	7.64	2.04
Interest Received	65.26	61.98
Net cash used in investing activities	**(539.10)**	**(948.17)**

CASH FLOW STATEMENT for the year ended December 31, 2016 (contd.)

Particulars	2016 ₹ Crore	2015 ₹ Crore
C. Cash flow from financing activities		
Proceeds from Issuance of equity shares (including Securities premium)	0.23	-
Interest paid	(47.80)	(41.49)
Proceeds from short term Borrowings from subsidiary company	11.70	35.50
Dividend paid	(320.32)	(561.67)
Dividend distribution tax paid	(64.98)	(113.36)
Net cash used in financing activities	**(421.17)**	**(681.02)**
Net increase / (decrease) in cash and cash equivalents	**419.85**	**(167.95)**
Cash and cash equivalents at the beginning of the year	1,389.04	1,556.99
Cash and cash equivalents at the end of the year	1,808.89	1,389.04
Components of cash and cash equivalents:		
Cash on hand	0.05	0.11
Balance with banks		
On current accounts	58.23	58.04
On deposit account	50.00	-
Earmarked for specific purpose (Refer Note (1) below)	32.34	33.44
Cash and cash equivalents (Refer Note - 17)	140.62	91.59
Add : Investment in Mutual Funds (Refer Note - 14)	730.00	65.00
Add : Investment in Certificate of Deposits (Refer Note - 14)	838.27	1,132.45
Add : Deposit with HDFC Limited (Refer Note - 18)	100.00	100.00
Cash and Cash equivalents in cash flow statement	**1,808.89**	**1,389.04**
Significant accounting policies (Refer Note - 2)		

Note: 1 These balances are not available for use by the Company as they represent unpaid dividend liabilities.

2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN: 00077715

FARROKH K. KAVARANA
Director
DIN: 00027689

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUSHIL KUMAR ROONGTA
Director
DIN: 00309302

VIJAY KUMAR SHARMA
Director
DIN: 02449088

NEERAJ AKHOURY
Director
DIN: 07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2016

1. COMPANY OVERVIEW

ACC Limited (the Company) is a public limited company incorporated in India under the provision of Companies Act, 1913. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) in India. The Company is engaged in the manufacturing and selling of Cement and Ready mix concrete. The Company caters mainly to the domestic market.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

a) The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

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

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. 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 the outcomes different from the estimates.

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

(iii) Tangible fixed assets

a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any (except freehold non mining land which is carried at cost less impairment losses). The cost comprises the purchase price (net of Cenvat and VAT credit wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use.

   Subsequent expenditures related to an item of tangible asset are added to its gross book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

b) Machinery spares which can be used only in connection with a particular item of Fixed Assets and the use of which is irregular, are capitalized at cost.

c) Fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately under "Other Current Assets".

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

e) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition / construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Long Term Loans and Advances".

(iv) Depreciation on tangible fixed assets

a) Depreciation on fixed assets, other than Captive Power Plant related assets (CPP assets), is provided using the straight-line method and on CPP assets using the written-down value method based on their respective estimated useful lives.

The Company identifies and determines cost of each component/part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Estimated useful lives of assets are determined based on technical parameters / assessment.

The aforesaid estimated useful lives for computing depreciation is different in following case from the useful life specified in Schedule II to the Companies Act, 2013;

Particulars	Useful Life estimated by the management
Plant and Equipments related to Captive Power Plant	20 Years

Depreciation is calculated on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of commencement of commercial production till the date the assets are sold or disposed off.

b) Machinery spares which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged in the Statement of Profit and Loss, on issue for consumption.

c) Leasehold land is amortized on a straight-line basis over the period of lease which is 10 to 99 years.

d) Freehold land used for mining is depreciated on the basis of quantity of minerals actually extracted during the year with respect to the estimated total quantity of extractable mineral reserves.

(v) Intangible assets and amortisation

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses if any. Intangible assets are amortised over their estimated useful economic life. Computer Software cost is amortised over a period of three years using straight-line method.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

(vi) Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized in the Statements of Profit and Loss wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

(vii) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

(viii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which are expected to be realized within twelve months from Balance Sheet date is also presented under "Current Investments" under "Current portion of long-term investments" in consonance with the current / non-current classification of Schedule III of the Act.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value determined on an individual basis.

On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is recognised in the Statement of Profit and Loss.

(ix) Inventories

Inventories are valued after providing for obsolescence, as follows:

a) Raw Materials, Stores & Spare parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

b) Work-in-progress, Finished goods and Stock-in-Trade

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost of Stock-in-Trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a weighted average basis.

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

(x) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank, demand deposits with banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

(xi) Revenue recognition

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of trade discounts and returns, as applicable. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Sales exclude self-consumption of cement. Excise duties deducted from turnover (gross) are the amounts that are included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

Income from services

Revenue from services is recognised (net of service tax, as applicable) pro-rata over the period of the contract as and when services are rendered.

Interest and Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

(xii) Government Grants and Subsidies

a) Government grants and subsidies are recognized when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.

b) Where the Government grants / subsidies relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Government grants and subsidies receivable against an expense are deducted from such expense.

c) Grants and subsidies receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.

d) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

(xiii) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

(xiv) Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(xv) Retirement and other 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 of the year in which the related service is rendered.

b) Defined contribution plans

The Company's Officer's Superannuation Fund scheme, state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the Statement of Profit and Loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

c) Defined benefit plans

The Company's Gratuity fund scheme, additional gratuity scheme and post employment benefit scheme are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of Profit and Loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of Profit and Loss.

The Company's liability is determined on the basis of an actuarial valuation using the deterministic approach.

d) Other long term benefits

Long service awards and accumulated compensated absences which are expected to be availed or encashed beyond 12 months from the end of the year, are treated as other long term employee benefits for measurement purposes. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

e) Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

f) For the purpose of presentation of Defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary. The Company presents the entire compensated absences as a short term provisions, since employee has an unconditional right to avail the leave at any time during the year.

g) Expenses incurred towards voluntary retirement scheme are charged to the Statement of Profit and Loss as and when accrue.

(xvi) Income taxes

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable provisions of the Income-tax Act, 1961 including the relevant Transfer Pricing regulations prescribed there under, read with applicable judicial precedents or interpretations, where ever relevant.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown "MAT Credit Entitlement" under the head loans and advances. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(xvii) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xviii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(xix) 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.

Mines restoration expenses is incurred on an on going basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

(xx) Classification of Current / Non-Current Assets and Liabilities

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 Schedule III of the Companies Act, 2013. 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.

(xxi) Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Inter-segment transfers

Inter-segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

Unallocated items

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

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.

3. SHARE CAPITAL

	2016 ₹ Crore	2015 ₹ Crore
Authorised Shares		
22,50,00,000 (*Previous Year - 22,50,00,000*) Equity Shares of ₹ 10 each	225.00	225.00
10,00,00,000 (*Previous Year - 10,00,00,000*) Preference Shares of ₹ 10 each	100.00	100.00
Issued		
18,87,93,243 (*Previous Year - 18,87,93,243*) Equity Shares of ₹ 10 each	188.79	188.79
Subscribed & Paid-up		
18,77,87,263 (*Previous Year - 18,77,45,356*) Equity Shares of ₹ 10 each fully paid	187.79	187.75
Add : 3,84,060 (*Previous Year - 3,84,060*) Equity Shares of ₹ 10 each Forfeited - Amount Paid	0.20	0.20
TOTAL	187.99	187.95

i) Reconciliation of number of equity shares outstanding

	2016		2015	
	No. of shares	₹ Crore	No. of shares	₹ Crore
Equity Shares at the beginning of the year	18,77,45,356	187.75	18,77,45,356	187.75
Add: Shares issued out of held in abeyance*	41,907	0.04	-	-
Equity Shares at the end of the year	18,77,87,263	187.79	18,77,45,356	187.75

*During the current year, pursuant to the Orders passed by the Special Court (TORTS) the Company has allotted 41,907 Equity Shares (*Previous year – Nil*) out of the shares kept in abeyance of Rights Issue 1999.

ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. 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 of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Equity shares held by holding company / ultimate holding company and their subsidiaries

	2016 ₹ Crore	2015 ₹ Crore
* Ambuja Cements Limited, the Holding Company 9,39,84,120 (*Previous Year - Nil*) Equity shares ₹10 each fully paid	93.98	-
* Holcim (India) Private Limited, the Holding Company Nil (*Previous Year - 9,38,88,120*) Equity shares ₹10 each fully paid	-	93.89
Holderind Investments Ltd, Mauritius, Holding Company of Ambuja Cements Limited 84,11,000 (*Previous Year - 5,41,000*) Equity shares ₹10 each fully paid	8.41	0.54

Companies referred above are subsidiaries of LafargeHolcim Ltd, Switzerland, the ultimate holding company.

iv) Details of shareholders holding more than 5% shares in the Company

	2016		2015	
	No. of shares	% holding	No. of shares	% holding
*Ambuja Cements Limited	9,39,84,120	50.05	-	-
*Holcim (India) Private Limited	-	-	9,38,88,120	50.01
Life Insurance Corporation of India	2,12,26,841	11.30	2,21,74,751	11.81

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

*The Company was a subsidiary of Holcim (India) Private Limited. Pursuant to the amalgamation of Holcim (India) Private Limited into Ambuja Cements Limited, effective August 12, 2016, the Company has become a subsidiary of Ambuja Cements Limited.

v) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

4. RESERVES AND SURPLUS

	2016		2015
	₹ Crore	₹ Crore	₹ Crore
Capital Reserve		82.88	82.88
Securities Premium Account			
Balance as per last Financial statements	844.84		844.84
Add: Premium on shares issued out of held in abeyance	0.19		-
		845.03	844.84
General Reserve			
Balance as per last Financial statements	2,693.30		2,663.30
Add: Transferred from Surplus in Statement of Profit and Loss	30.00		30.00
		2,723.30	2,693.30
Surplus in Statement of Profit and Loss			
Balance as per last Financial statements	4,634.07		4,456.64
Add: Profit for the year	602.40		591.57
	5,236.47		5,048.21
Less - Appropriations			
Interim equity dividend {amount per share ₹ 11 (*Previous Year - ₹ 11*)}	206.57		206.52
Proposed final equity dividend (amount per share ₹ 6 (*Previous Year - ₹ 6*))	112.67		112.65
Tax on equity dividends	64.99		64.97
Transfer to General Reserve	30.00		30.00
	414.23		414.14
		4,822.24	4,634.07
TOTAL		8,473.45	8,255.09

5. DEFERRED TAX LIABILITIES (NET)

	2016 ₹ Crore	2015 ₹ Crore
Deferred Tax Liabilities arising on account of :		
Depreciation and amortisation differences	765.95	652.65
	765.95	652.65
Deferred Tax Assets arising on account of :		
Provision for employee benefits	44.08	27.57
Expenditure debited in Statement of Profit and Loss but allowed for tax purposes in the following years	105.59	101.32
Provision for obsolescence of Stores and Spare Parts	9.88	9.88
Provision for doubtful debts, advances and other assets	17.27	17.66
Others	30.99	27.06
	207.81	183.49
Net Deferred Tax Liabilities	558.14	469.16

6. LONG-TERM PROVISIONS

	2016 ₹ Crore	2015 ₹ Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	103.79	93.01
Long service award	6.75	6.39
Other Provisions		
Provision for Mines Restoration	21.14	20.46
TOTAL	131.68	119.86

Movement of provision during the year as required by Accounting Standard 29 :

Mines Restoration Expenditure

	2016 ₹ Crore	2015 ₹ Crore
Opening provision	20.46	20.88
Add: Provision during the year	0.70	0.15
Less: Utilisation during the year	(0.02)	(0.57)
Closing provision	21.14	20.46

Mines restoration expenditure is incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

7. SHORT-TERM BORROWINGS

	2016 ₹ Crore	2015 ₹ Crore
Unsecured		
Loan from a related party {Refer Note - 34 C (xviii)}	50.02	35.50
(From a wholly owned subsidiary)		
TOTAL	50.02	35.50

The above loan is repayable on demand and carries rate of interest at 9% p.a. (*Previous year - 10.10% p.a*)

8. OTHER CURRENT LIABILITIES

	2016 ₹ Crore	2015 ₹ Crore
Interest accrued but not due on borrowings {Refer Note - 34 C (xix)}	1.70	2.44
Investor Education and Protection Fund :- (Refer Note - (i) below)		
Unpaid dividend	32.34	33.44
Unpaid Matured Deposits	0.02	0.02
Statutory dues	414.85	378.50
Advance from customers	201.77	137.81
Security deposits and retention money	533.81	666.77
Liability for capital expenditure	96.95	113.13
Other payables (including Rebates to customers, Employees dues, etc.)	891.67	927.71
TOTAL	2,173.11	2,259.82

i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at December 31, 2016

9. SHORT-TERM PROVISIONS

	2016 ₹ Crore	2015 ₹ Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	23.11	9.87
Provision for compensated absences	28.03	38.44
Long service award	0.88	0.78
Other Provisions		
Provision for Income Tax (Net of advance tax)	418.52	454.66
Proposed final dividend	112.67	112.65
Tax on proposed dividend	22.94	22.93
TOTAL	606.15	639.33

10. FIXED ASSETS

₹ Crore

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01-01-2016	Additions	Deductions	As at 31-12-2016	As at 01-01-2016	For the Year	Deductions	As at 31-12-2016	As at 31-12-2016	As at 31-12-2015
Tangible Assets :										
Freehold Non Mining Land	92.69	6.92	-	99.61	-	-	-	-	99.61	92.69
Freehold Mining Land	297.77	6.48	-	304.25	2.24	0.24	-	2.48	301.77	295.53
Leasehold Land	85.41	24.59	1.38	108.62	45.42	3.18	0.10	48.50	60.12	39.99
Buildings	1,455.85	648.47	0.73	2,103.59	533.55	64.48	0.50	597.53	1,506.06	922.30
Plant and Equipment	8,938.47	2,004.32	91.06	10,851.73	5,193.51	496.26	58.28	5,631.49	5,220.24	3,744.96
Railway Sidings	174.55	87.18	-	261.73	68.76	13.69	-	82.45	179.28	105.79
Furniture & Fixtures	44.35	3.85	0.12	48.08	25.71	4.63	0.10	30.24	17.84	18.64
Vehicles	70.73	17.00	1.54	86.19	37.01	8.77	1.45	44.33	41.86	33.72
Office equipment	133.66	14.73	4.34	144.05	102.50	13.78	4.30	111.98	32.07	31.16
Total	11,293.48	2,813.54	99.17	14,007.85	6,008.70	605.03	64.73	6,549.00	7,458.85	5,284.78
Intangible Assets :										
Computer Software	58.97	3.63	-	62.60	58.77	0.30	-	59.07	3.53	0.20
Total	58.97	3.63	-	62.60	58.77	0.30	-	59.07	3.53	0.20

Notes:-

(i) Buildings include cost of shares ₹ 4,210 (*Previous Year - ₹ 4,960*) in various Co-operative Housing Societies, in respect of 8 (*Previous Year - 10*) residential flats.

(ii) Plant and Equipment includes assets given on lease to Railways under "Own Your Wagons" Scheme of ₹ 28.48 Crore (*Previous Year - ₹ 28.48 Crore*) and accumulated depreciation ₹ 28.48 Crore (*Previous Year - ₹ 28.48 Crore*).

(iii) Depreciation charge for the year include ₹ 0.17 Crore (*Previous year - ₹ 1.22 Crore*) capitalised as pre-operative expenses.

(iv) Major additions in tangible assets is relating to capitalisation of Clinkering Facility of 2.79 MTPA and Cement facility of 1.1 MTPA at Jamul in State of Chhattisgarh and Cement grinding facility of 1.35 MTPA at Sindri in State of Jharkhand in current year.

10. FIXED ASSETS (contd.)

₹ Crore

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 01-01-2015	Additions	Deductions	As at 31-12-2015	As at 01-01-2015	For the Year	Adjustment as disclosed under Exceptional item (Refer Note - 50)	Deductions	As at 31-12-2015	As at 31-12-2015	As at 31-12-2014
Tangible Assets :											
Freehold Non Mining Land	118.88	5.87	32.06	92.69	-	-	-	-	-	92.69	118.88
Freehold Mining Land	165.66	132.11	-	297.77	1.99	0.25	-	-	2.24	295.53	163.67
Leasehold Land	76.71	8.70	-	85.41	40.70	4.72	-	-	45.42	39.99	36.01
Buildings	1,351.22	117.32	12.69	1,455.85	405.78	74.36	58.16	4.75	533.55	922.30	945.44
Plant and Equipment	8,774.39	298.81	134.73	8,938.47	4,675.36	524.24	69.40	75.49	5,193.51	3,744.96	4,099.03
Railway Sidings	171.38	4.58	1.41	174.55	55.80	12.43	1.88	1.35	68.76	105.79	115.58
Furniture & Fixtures	43.00	2.56	1.21	44.35	20.03	5.83	0.90	1.05	25.71	18.64	22.97
Vehicles	64.04	8.23	1.54	70.73	30.66	7.63	0.18	1.46	37.01	33.72	33.38
Office equipment	126.36	14.46	7.16	133.66	63.57	23.31	22.65	7.03	102.50	31.16	62.79
TOTAL	10,891.64	592.64	190.80	11,293.48	5,293.89	652.77	153.17	91.13	6,008.70	5,284.78	5,597.75
Intangible Assets :											
Computer Software	59.08	0.07	0.18	58.97	58.44	0.51	-	0.18	58.77	0.20	0.64
TOTAL	59.08	0.07	0.18	58.97	58.44	0.51	-	0.18	58.77	0.20	0.64

11. NON-CURRENT INVESTMENTS

(VALUED AT COST UNLESS STATED OTHERWISE)

	2016			2015	
	Numbers	₹ Crore		Numbers	₹ Crore
Trade Investments					
Unquoted equity instruments					
Investment in subsidiaries					
Face value ₹ 10 each					
Bulk Cement Corporation (India) Limited	3,18,42,050	37.27		3,18,42,050	37.27
Singhania Minerals Private Limited	5,20,000	5.50		20,000	5.00
(5,00,000 shares subscribed for ₹ 0.50 Crore during the year)					
Face value ₹ 100 each					
Lucky Minmat Limited	325,000	38.10		325,000	38.10
ACC Mineral Resources Limited	1,21,95,000	121.95		1,21,95,000	121.95
Less: Provision for other than temporary diminution in the value (Refer Note - 41)		57.96			15.15
		63.99			106.80
National Limestone Company Private Limited	2,00,000	18.15		2,00,000	18.15
Less: Provision for other than temporary diminution in the value		4.13			4.13
		14.02			14.02
Investment in Associates					
Face value ₹ 10 each					
Alcon Cement Company Private Limited	4,08,001	22.25		4,08,001	22.25
Asian Concretes and Cements Private Limited	81,00,000	36.81		81,00,000	36.81
Aakaash Manufacturing Company Private Limited	4,401	6.01		4,401	6.01
Investment in Joint Venture					
Face value ₹ 10 each					
OneIndia BSC Private Limited	25,01,000	2.50		25,01,000	2.50
			226.45		268.76
Non trade investments					
(a) Quoted equity instruments					
Shiva Cement Limited (Face value ₹ 2 each)	2,36,50,000	23.65		2,36,50,000	23.65
Less: Provision for other than temporary diminution in the value		17.86			17.86
		5.79			5.79

11. NON-CURRENT INVESTMENTS (contd.)

(VALUED AT COST UNLESS STATED OTHERWISE)

	2016			2015	
	Numbers	₹ Crore		Numbers	₹ Crore
(b) Investment in equity instruments (unquoted)					
Face value ₹ 10 each					
* Kanoria Sugar & General Mfg. Company Limited	4	-		4	-
* Gujarat Composites Limited	60	-		60	-
* Rohtas Industries Limited	220	-		220	-
* The Jaipur Udyog Limited	120	-		120	-
* Digvijay Finlease Limited	90	-		90	-
* The Travancore Cement Company Limited	100	-		100	-
* Ashoka Cement Limited	50	-		50	-
Face value ₹ 5 each					
* The Sone Valley Portland Cement Company Limited	100	-		100	-
			5.79		5.79
(c) Investment in Bonds (Unquoted)					
Face value ₹ 10,00,000 each					
5.13% Himachal Pradesh Infrastructure					
Development Board Bonds	37	3.70		37	3.70
Less: Current portion of long term investments#		-			3.70
			3.70		-
TOTAL			235.94		274.55

Notes

(I)	Aggregate amount of quoted Investments	5.79	5.79
	{Market value ₹ 28.36 Crore (*Previous year - ₹ 17.05 Crore*)}		
	Aggregate amount of unquoted Investments	230.15	268.76
(II)	Aggregate provision for diminution in value of investments	79.95	37.14

(III) * Denotes amount less than ₹ 50,000

(IV) # Amount included under the head "Current investment" (Refer Note - 14)
Bonds are renewed in the current year

12. LONG-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Capital Advances	94.23	298.58
Security deposits	180.99	204.46
Deposits with Government Bodies and Others		
Considered good	251.70	250.17
Considered doubtful	8.33	9.78
	260.03	259.95
Less: Allowance for doubtful deposits	8.33	9.78
	251.70	250.17
Advances recoverable in cash or kind	14.40	15.01
Advance tax (Net of provision for tax)	303.91	305.16
MAT credit entitlement	117.55	-
TOTAL	962.78	1,073.38

13. OTHER NON-CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Incentives under Government schemes and other receivables		
Considered good	482.99	465.82
Considered doubtful	4.60	6.39
	487.59	472.21
Less: Provision for doubtful receivables	4.60	6.39
	482.99	465.82
Non-current bank balance (Refer Note - 17)	0.06	0.11
TOTAL	483.05	465.93

14. CURRENT INVESTMENTS

(VALUED AT LOWER OF COST AND FAIR VALUE, UNLESS OTHERWISE STATED)

	2016			2015	
	Numbers	₹ Crore		Numbers	₹ Crore
Current Portion of Long Term Investment (valued at cost) (Refer Note - 11)					
Investment in Bonds (Unquoted)					
Face value ₹ 10,00,000 each					
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70		37	3.70
Less: Transferred to long term investments		3.70			-
			-		3.70
Investment in Certificate of Deposits - Fully paid-up (unquoted)					
Unit of Face value ₹ 100,000 each					
Canara Bank	20,000	197.15		-	-
ICICI Bank Limited	15,000	147.95		-	-
Kotak Mahindra Bank Limited	10,000	98.54		25,000	245.69
Andhra Bank	20,000	197.19		20,000	196.51
Corporation Bank	20,000	197.44		10,000	98.46
IDBI Bank Limited	-	-		7,500	73.73
HDFC Bank Limited	-	-		7,500	74.02
Bank of Maharashtra	-	-		25,000	246.51
Oriental Bank	-	-		20,000	197.53
			838.27		1,132.45
Investment in Mutual Funds - Fully paid-up (Unquoted)					
Unit of Face value ₹ 100 each					
ICICI Prudential Liquid Plan - Growth	59,24,356.077	140.00		-	-
Birla Sunlife Cash Plus Fund - Growth	50,65,307.074	130.00		-	-
Unit of Face value ₹ 1,000 each					
Kotak Floater ST - Growth	4,95,982.676	130.00		1,02,648.091	25.00
Invesco India Liquid Fund - Growth (Formerly known as Religare Liquid Fund - Growth)	5,45,810.988	120.00		1,95,736.947	40.00
Reliance Liquid Fund - Treasury plan - Growth	1,80,190.786	70.00		-	-
HDFC Liquid Fund - Growth	4,45,512.227	140.00		-	-
			730.00		65.00
TOTAL			**1,568.27**		**1,201.15**
Aggregate amount of unquoted Investments			1,568.27		1,201.15

15. INVENTORIES

(AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

	2016 ₹ Crore	2015 ₹ Crore
Raw Materials	131.07	132.01
(Including in transit ₹ 2.87 Crore (*Previous Year - ₹ 3.83 Crore*)}		
Work-in-Progress	238.74	241.20
Finished Goods	138.64	152.54
Stock-in-trade	0.02	0.65
Stores & Spare Parts	301.41	265.84
{Including in transit ₹ 9.27 Crore (*Previous Year - ₹ 7.08 Crore*)}		
Packing Material	19.08	18.24
Fuels	394.79	378.12
{Including in transit ₹ 22.10 Crore (*Previous Year - ₹ 6.43 Crore*)}		
TOTAL	1,223.75	1,188.60

16. TRADE RECEIVABLES

	2016 ₹ Crore	2015 ₹ Crore
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	6.19	19.81
Unsecured, considered doubtful	35.29	27.45
	41.48	47.26
Less: Provision for doubtful trade receivables	35.29	27.45
	6.19	19.81
Other Trade receivables		
Secured, considered good	55.78	77.88
Unsecured, considered good	405.76	386.66
Unsecured, considered doubtful	1.69	7.41
	463.23	471.95
Less: Provision for doubtful trade receivables	1.69	7.41
	461.54	464.54
TOTAL	467.73	484.35

17. CASH AND BANK BALANCES

	2016 ₹ Crore	2015 ₹ Crore
Cash and cash equivalents		
Balances with banks:		
On current accounts	58.23	58.04
Deposits with original maturity of less than three months	50.00	-
#On unpaid dividend account	32.34	33.44
Cash on hand	0.05	0.11
	140.62	91.59
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	115.01	-
**Margin money deposit	19.94	-
Deposits with remaining maturity for more than 12 months	0.06	0.11
Less : Amount disclosed under non-current asset (Refer Note - 13)	(0.06)	(0.11)
	-	-
Post office saving accounts	0.01	0.01
	134.96	0.01
TOTAL	275.58	91.60

#These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

*Includes fixed deposit with lien in favour of Competition Appellate Tribunal (COMPAT) of ₹ 114.76 Crore (*Previous Year* - ₹ *Nil*) {Refer Note - 36 (A) (d)}.

**Margin money deposit is against bank guarantee given to Government authorities.

18. SHORT-TERM LOANS AND ADVANCES

Unsecured, Considered Good, unless otherwise stated

	2016 ₹ Crore	2015 ₹ Crore
Security deposits	21.73	19.30
Loans and advances to related parties {Refer Note - 34 (c) (xv)}	0.56	0.36
Advances recoverable in cash or kind	166.07	113.61
Other loans and advances		
Balances with statutory / government authorities	148.66	116.57
Deposit with HDFC Limited	100.00	100.00
TOTAL	437.02	349.84

19. OTHER CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Interest accrued on investments	3.72	6.53
Other Accrued Interest	1.33	1.29
Fixed assets held for sale	46.49	47.29
Others	8.61	0.37
TOTAL	60.15	55.48

20. REVENUE FROM OPERATIONS

	2016 ₹ Crore	2015 ₹ Crore
Sale of products		
Finished goods	12,359.94	12,745.39
Traded goods	92.71	112.37
Sale of services	13.14	18.88
Sale of products and services (gross)	12,465.79	12,876.64
Less: Excise duty	1,529.38	1,443.88
Sale of products and services (net)	10,936.41	11,432.76
Other operating revenue	221.93	364.07
Revenue from operations (net)	11,158.34	11,796.83

Breakup of Revenue from operations (net) is as follows:		2016 ₹ Crore	2015 ₹ Crore
A	**Details of products sold**		
	Finished goods (Net of Excise duty)		
	Cement	9,841.80	10,437.09
	Ready Mix Concrete	948.77	851.47
	Clinker	39.99	12.95
		10,830.56	11,301.51
	Traded Goods		
	Cement	-	15.22
	Ready Mix Concrete	92.71	97.15
		92.71	112.37
B	**Details of sale of services**		
	Pumping and Conversion services relating to Ready mix concrete	13.14	18.88
		13.14	18.88
C	**Detail of other Operating revenue**		
	Provision no longer required written back	23.68	10.66
	Sale of Surplus generated Power	13.11	5.39
	Scrap Sales	26.85	33.10
	Sales tax Incentives*	65.89	214.54
	Miscellaneous Income (including insurance claim, other services, etc.)	92.40	100.38
		221.93	364.07
	Total Revenue from operations (net) (A+B+C)	11,158.34	11,796.83
	*Sales tax Incentives under State Investment Promotion Scheme		

21. OTHER INCOME

	2016 ₹ Crore	2015 ₹ Crore
Interest on bank deposits	58.31	59.63
Interest on income tax	-	29.84
Other interest income	4.14	4.13
Gain on sale of current investments	21.15	22.24
Dividend from long term investments	7.64	2.04
Profit on sale of fixed assets (Net)	20.46	-
Exchange Gain (Net)	1.01	1.47
TOTAL	112.71	119.35

22. COST OF MATERIALS CONSUMED

	2016 ₹ Crore	2015 ₹ Crore
Opening Stock	132.01	139.07
Purchase	1,586.32	1,732.72
	1,718.33	1,871.79
Less: Closing Stock	131.07	132.01
TOTAL	1,587.26	1,739.78

Details of cost of materials consumed

	2016 ₹ Crore	2015 ₹ Crore
Slag	184.41	198.64
Gypsum	288.90	368.29
Fly Ash	311.96	353.05
Cement	80.11	79.21
Aggregates	154.71	134.31
Others*	567.17	606.28
TOTAL	1,587.26	1,739.78

*includes no item which in value individually accounts for 10 percent or more of the total value of materials consumed.

23. PURCHASE OF TRADED GOODS

	2016 ₹ Crore	2015 ₹ Crore
Cement	-	13.71
Ready Mix Concrete	90.17	94.58
TOTAL	90.17	108.29

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	2016 ₹ Crore	2015 ₹ Crore	(Increase) / decrease ₹ Crore
Inventories at the end of the year			
Stock-in-trade	0.02	0.65	0.63
Finished Goods	138.64	152.54	13.90
Work -in-progress	238.74	241.20	2.46
	377.40	394.39	16.99
Inventories at the beginning of the year			
Stock-in-trade	0.65	0.37	(0.28)
Finished Goods	152.54	153.75	1.21
Work -in-progress	241.20	240.32	(0.88)
	394.39	394.44	0.05
TOTAL	16.99	0.05	

25. EMPLOYEE BENEFITS EXPENSE

	2016 ₹ Crore	2015 ₹ Crore
Salaries and Wages	665.93	667.23
Contributions to Provident and other Funds	63.44	57.32
Staff Welfare Expenses	48.94	45.32
TOTAL	778.31	769.87

26. FREIGHT AND FORWARDING EXPENSE

	2016 ₹ Crore	2015 ₹ Crore
On Clinker transfer	452.86	460.30
On finished products	2,201.80	2,262.70
TOTAL	2,654.66	2,723.00

27. FINANCE COSTS

	2016 ₹ Crore	2015 ₹ Crore
Interest expenses	48.19	46.13
Interest on Income Tax	24.68	21.19
TOTAL	72.87	67.32

28. DEPRECIATION AND AMORTIZATION EXPENSE

	2016 ₹ Crore	2015 ₹ Crore
Depreciation of tangible assets	604.86	651.55
Amortization of intangible assets	0.30	0.51
TOTAL	605.16	652.06

29. OTHER EXPENSES

	2016 ₹ Crore	2015 ₹ Crore
Consumption of stores and spare parts	389.59	377.99
Consumption of packing materials	353.84	404.44
Excise duty variation on opening and closing stock	(0.14)	1.88
Rent	30.12	29.90
Rates and taxes	149.04	145.52
Repairs to Building	9.35	7.99
Repairs to Machinery	133.74	129.67
Repairs to other Items	25.56	23.57
Insurance	24.60	25.44
Royalties on minerals	216.80	205.72
Discount on sales	76.68	90.80
Advertisement	80.57	110.13
Technology and Know-how fees	107.98	112.76
Miscellaneous expenses {Refer Note -51 and Refer Note - (i) & (ii) below}*	865.08	868.13
TOTAL	2,462.81	2,533.94
*Does not include any item of expenditure with a value of more than 1% of turnover		
i) Payment to Statutory Auditors (excluding service tax)		
As auditors		
Audit fees	3.57	3.30
Audit fees for tax financial statements	0.63	0.53
Out of pocket expenses	0.17	0.16
In other matters - Certification	0.12	0.10
TOTAL	4.49	4.09

ii) Miscellaneous expenses includes:

(a) Loss on sale / write off of Fixed Assets (Net) - ₹ Nil (*Previous Year - ₹ 30.45 Crore*)

(b) Provision for diminution, other than temporary in the value of long term investment in subsidiary company of ₹ Nil (*Previous year - ₹ 15.15 Crore*) {Refer Note - 41}

(c) Grinding facility charges, Commission on sales, Information technology services, Traveling expenses, Other third party services etc.

30. EARNINGS PER SHARE - [EPS]

		2016 ₹ Crore	2015 ₹ Crore
Net Profit as per Statement of Profit and Loss		602.40	591.57
Weighted average number of equity shares for Earnings Per Share computation			
Shares for Basic Earnings Per Share		18,77,71,233	18,77,45,356
Add: Potential diluted equity shares on account of shares in abeyance		4,75,207	4,83,518
(Movement in Number of shares is on account of change in fair value of share and 41,907 shares issued in current year)			
Number of Shares for Diluted Earnings Per Share		18,82,46,440	18,82,28,874
Earnings Per Share			
Face value per Share	₹	10.00	10.00
Basic	₹	32.08	31.51
Diluted	₹	32.00	31.43

31. EMPLOYEE BENEFITS:

a) Defined Contribution Plans – Amount recognised and included in Note 25 "Contributions to Provident and other Funds" of Statement of Profit and Loss ₹ 17.26 Crore (*Previous Year - ₹ 18.28 Crore*).

b) Defined Benefit Plans – As per actuarial valuation on December 31, 2016

The Company has a defined benefit gratuity, additional gratuity, post employment medical benefit plans and Trust managed provident fund plan as given below:

i. Every employee who has completed minimum five years of service is entitled to gratuity at 15 days salary for each completed year of services. The scheme is funded with insurance companies in the form of qualifying insurance policies.

ii. Every employee who has joined before 1st December 2005 and separates from service of the Company on Superannuation and on medical grounds is entitled to additional gratuity. The scheme is Non Funded.

iii. Benefits under Post Employment medical Benefit plans are payable for actual domiciliary treatment / hospitalization for employees and their specified relatives. The scheme is Non Funded.

iv. Provident fund for certain eligible employees is managed by the Company through trust " The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The ASB Guidance on Implementing AS-15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefit plans involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund and there is no shortfall as at December 31, 2016 and December 31, 2015.

31. EMPLOYEE BENEFITS: (contd.)

Defined Benefit Plans as per Actuarial valuation on December 31, 2016

		Gratuity (Including additional gratuity)		Post employment Medical benefits (PEMB)	Provident fund
		Funded	Non Funded		
		₹ Crore	₹ Crore	₹ Crore	₹ Crore
I	**Expense recognised in the Statement of Profit and Loss – for the year ended December 31, 2016**				
1	Current Service cost	11.91	6.95	0.04	20.92
		10.71	*5.76*	*0.03*	*19.54*
2	Interest Cost	13.60	7.17	0.46	43.83
		14.01	*6.51*	*0.47*	*38.65*
3	Employee Contributions	-	-	(0.32)	-
		-	-	*(0.31)*	-
4	Expected return on plan assets	(14.02)	-	-	(53.89)
		(14.80)	-	-	*(48.54)*
5	Net Actuarial (Gains) / Losses	17.42	6.34	1.39	18.20
		4.25	*3.08*	*0.01*	*20.43*
6	Total expense	28.91	20.46	1.57	29.06
		14.17	*15.35*	*0.20*	*30.08*
II	**Amount recognised in Balance Sheet**				
1	Present value of Defined Benefit Obligation	(204.21)	(106.11)	(6.53)	(630.11)
		(188.74)	*(96.03)*	*(5.72)*	*(557.29)*
2	Fair value of plan assets	189.95	-	-	638.59
		187.61	-	-	*574.31*
3	Funded status {Surplus/(Deficit)}	(14.26)	(106.11)	(6.53)	8.48
		(1.13)	*(96.03)*	*(5.72)*	*17.02*
4	Net asset/(liability) as at December 31, 2016*	(14.26)	(106.11)	(6.53)	8.48
		(1.13)	*(96.03)*	*(5.72)*	*17.02*
III	**Present Value of Defined Benefit Obligation**				
1	Present value of Defined Benefit Obligation at beginning of the year	188.74	96.03	5.72	557.29
		188.36	*85.42*	*6.26*	*492.22*
2	Current Service cost	11.91	6.95	0.04	20.92
		10.71	*5.76*	*0.03*	*19.54*
3	Interest Cost	13.60	7.17	0.46	43.83
		14.01	*6.51*	*0.47*	*38.65*
4	Employee Contributions	-	-	(0.32)	54.75
		-	-	*(0.31)*	*48.11*
5	Actuarial (Gains) / Losses	20.71	6.34	1.39	19.50
		6.00	*3.08*	*0.01*	*19.24*
6	Benefits Payments	(30.55)	(10.38)	(0.76)	(14.15)
		(30.34)	*(4.74)*	*(0.74)*	*(14.64)*
7	Net transfer in / (out)	(0.20)	-	-	(52.03)
		-	-	-	*(45.83)*
8	Present value of Defined Benefit Obligation at the end of the year	204.21	106.11	6.53	630.11
		188.74	*96.03*	*5.72*	*557.29*

31. EMPLOYEE BENEFITS: (contd.)

Defined Benefit Plans as per Actuarial valuation on December 31, 2016 (contd.)

	Gratuity (Including additional gratuity)		Post employment Medical benefits (PEMB)	Provident fund
	Funded	Non Funded		
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
IV Fair Value of Plan Assets				
1 Plan assets at the beginning of the year	187.61	-	-	574.31
	177.24	-	-	*520.19*
2 Expected return on plan assets	14.02			53.89
	14.80	-	-	*48.54*
3 Contributions by Employer	16.78			20.52
	11.84	-	-	*19.13*
4 Contributions by Employee	-	-	-	54.75
	-	-	-	*48.11*
5 Actual benefits paid	(31.75)			(14.15)
	(18.02)	-	-	*(14.64)*
6 Net transfer in / (out)	-	-	-	(52.03)
	-	-	-	*(45.83)*
7 Actuarial Gains / (Losses)	3.29			1.30
	1.75	-	-	*(1.19)*
8 Plan assets at the end of the year	189.95	-	-	638.59
	187.61	-	-	*574.31*
9 Actual return on plan assets	17.31			55.19
	16.55	-	-	*47.35*

V The major categories of plan assets as a percentage of total plan

	Gratuity		Provident fund	
	2016	2015	2016	2015
	%	%	%	%
Government securities	52	50	52	50
Debentures and Bonds	27	29	48	50
Equity Shares	10	9	-	-
Fixed Deposits	11	12	-	-
	100	100	100	100

31. EMPLOYEE BENEFITS: (contd.)

VI	Effect of One percentage point change in the assumed Medical Inflation rate	One percentage increase - ₹ Crore	One percentage decrease - ₹ Crore
	Increase /(Decrease) on aggregate service and interest cost of Post Employment Medical benefits	0.03 *0.03*	(0.03) *(0.03)*
	Increase/(Decrease) on Present value of Defined Benefit Obligation as at December 31, 2016	0.83 *0.56*	(0.79) *(0.57)*

VII Actuarial Assumptions:

a) Financial Assumptions

1	Discount Rate	*6.60% p.a. (P.Y.- 7.80 % p.a.)*
2	Expected rate of return on plan assets (Gratuity)	*8.50% p.a. (P.Y.- 8.50% p.a.)*
3	Expected rate of return on plan assets (Provident fund)	*8.98% p.a. (P.Y.- 9.31% p.a.)*
4	Salary increase rate	*7% p.a. (P.Y.- 7% p.a.)*

b) Demographic Assumptions

1	Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate *Indian Assured Lives Mortality (2006-08) (Modified) Ultimate*
2	Mortality post–retirement	Mortality for annuitants LIC (1996-98) ultimate *Mortality for annuitants LIC (1996-98) ultimate*
3	Turnover rate	*5% p.a. (P.Y. - 5% p.a.)*
4	Medical premium inflation	12% p.a. for the first 4 years and thereafter 8% p.a. *12% p.a. for the first 4 years and thereafter 8% p.a.*

(Figures in italics pertain to previous year)

c) Basis used to determine expected rate of return on assets:

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The Gratuity Scheme is invested in Life Insurance Corporation (LIC) of India's Group Gratuity–cum-Life Assurance cash accumulation policy and HDFC Standard Life's Group Unit Linked Plan - For Defined Benefit Scheme.

The Trust formed by the Company manages the investments of provident fund plan.

d) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) The Company expects to contribute ₹ 18.00 Crore *(Previous year - ₹ 11.00 Crore)* to Gratuity fund and ₹ 23.00 Crore *(Previous year - ₹ 18.84 Crore)* to trust managed provident fund in the year 2017.

f) Post employment defined benefit plan expenses are included under employee benefit expenses in the statement of Profit and Loss.

g) Amounts for the current and previous four years are as follows:

(i) Gratuity (Funded) **₹ Crore**

	2016	2015	2014	2013	2012
Defined benefit obligation	(204.21)	(188.74)	(188.36)	(165.88)	(160.11)
Plan assets	189.95	187.61	177.24	149.80	137.12
Surplus / (deficit)	(14.26)	(1.13)	(11.12)	(16.08)	(22.99)
Experience adjustments on plan assets	(3.28)	(1.75)	(2.42)	(1.17)	(1.29)
Experience adjustments on plan liabilities	5.71	5.72	8.62	11.76	16.89

31. EMPLOYEE BENEFITS: (contd.)

(ii) Gratuity (Non funded) ₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(106.11)	(96.03)	(85.42)	(71.18)	(65.54)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(106.11)	(96.03)	(85.42)	(71.18)	(65.54)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	(0.14)	0.26	3.17	5.05	7.33

(iii) Post Employment Medical Benefits ₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(6.53)	(5.72)	(6.26)	(4.18)	(3.50)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(6.53)	(5.72)	(6.26)	(4.18)	(3.50)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	0.72	(0.26)	2.25	1.33	1.38

(iv) Provident Fund ₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(630.11)	(557.29)	(492.22)	(445.67)	(392.76)
Plan assets	638.59	574.31	520.19	447.55	400.31
Surplus / (deficit)*	8.48	17.02	27.97	1.88	7.55
Experience adjustments on plan assets	1.30	(1.19)	21.08	4.92	(5.15)
Experience adjustments on plan liabilities	14.50	19.75	(1.19)	(4.88)	(4.58)

*In respect of Provident Fund, Since there is surplus the same has not been recognised in Balance Sheet, only liability recognised in Balance Sheet.

h) Amount recognised as an expense under employee benefit expenses in the statement of Profit and Loss in respect of other benefits is ₹ 12.31 Crore *(Previous Year - ₹ 22.29 Crore)*.

i) Present value of compensated absences at year end is ₹ 28.03 Crore *(Previous Year ₹ 38.44 Crore)* after net of plan assets of ₹ 88.77 Crore *(Previous year - ₹ 77.54 Crore)*.

j) Present value of Long service award obligation at year end is ₹ 7.63 Crore *(Previous Year ₹ 7.17 Crore)*. This scheme is non funded.

32. SEGMENT REPORTING

The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system. The Company's operations predominantly relate to manufacture of Cement and Ready Mix Concrete. The export turnover is not significant in the context of total turnover of the company and further the risk and returns are not significantly different from that of India. As such there is only one geographical segment.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ Crore

	Cement		Ready Mix Concrete		Total	
	2016	2015	2016	2015	2016	2015
REVENUE						
External sales	9,881.79	10,465.26	1,054.62	967.50	10,936.41	11,432.76
Other operating revenue	212.67	352.47	9.26	11.60	221.93	364.07
Inter-segment sales	186.47	187.34	6.31	7.34	192.78	194.68
	10,280.93	11,005.07	1,070.19	986.44	11,351.12	11,991.51
Less: Elimination	(186.47)	(187.34)	(6.31)	(7.34)	(192.78)	(194.68)
Total revenue	**10,094.46**	**10,817.73**	**1,063.88**	**979.10**	**11,158.34**	**11,796.83**
RESULT						
Segment result	**752.15**	**875.01**	**55.64**	**25.09**	**807.79**	**900.10**
Unallocated corporate Income net off Unallocated (expenditure)					46.67	8.72
Operating Profit					**854.46**	**908.82**
Finance costs					(72.87)	(67.32)
Interest and Dividend income					70.09	95.64
Exceptional items (Refer Note - 41 & 50)					(42.81)	(153.17)
Tax expenses					(206.47)	(192.40)
{net off MAT credit entitlement of ₹ 117.55 Crore (*Previous year* - ₹ *Nil*)}						
Profit after tax					**602.40**	**591.57**
OTHER INFORMATION						
Segment assets	10,487.32	10,529.47	296.73	283.31	10,784.05	10,812.78
Unallocated Corporate assets					2,653.42	2,028.04
Total assets					**13,437.47**	**12,840.82**
Segment liabilities	3,200.25	2,958.28	226.25	178.42	3,426.50	3,136.70
Unallocated corporate liabilities					1,349.53	1,261.08
Total liabilities					**4,776.03**	**4,397.78**
Capital expenditure (including capital work-in-progress and capital advances)	491.50	1,126.22	11.17	14.70	502.67	1,140.92
Depreciation and Amortization (Including exceptional item in previous year)	586.29	774.90	18.87	30.33	605.16	805.23
Other non-cash expenses	2.95	35.28	13.71	10.01	16.66	45.29

33. OPERATING LEASE

		2016 ₹ Crore	2015 ₹ Crore
a)	Future minimum rental payables under non-cancellable operating lease		
(i)	Not later than one year	33.94	24.75
(ii)	Later than one year and not later than five years	70.04	94.09
(iii)	Later than five years	-	1.16

b) Operating lease payment recognised in Statement of Profit and Loss amounting to ₹ 165.37 Crore (*Previous Year - ₹ 173.64 Crore*)

c) General description of the leasing arrangement:

(i) Leased Assets: Grinding facility, Concrete pumps, Godowns, Transit Mixer, Flats, Office premises and other premises.

(ii) Future lease rentals are determined on the basis of agreed terms.

(iii) There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases.

(iv) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

34. RELATED PARTY DISCLOSURE

(A)	Names of the Related parties where control exists:	Nature of Relationship
1	LafargeHolcim Ltd	Ultimate Holding Company
2	Holderind Investments Ltd.	Holding Company of Holcim (India) Private Limited (upto August 11, 2016) Holding Company of Ambuja Cements Limited (w.e.f. August 12, 2016)
3	Holcim (India) Private Limited (Refer Note - 43)	Holding Company (Upto August 11, 2016)
4	Ambuja Cements Limited (Refer Note - 43)	Fellow Subsidiary upto August 11, 2016 and Holding Company (w.e.f. August 12, 2016)
5	Bulk Cement Corporation (India) Limited	Subsidiary Company
6	ACC Mineral Resources Limited	Subsidiary Company
7	Lucky Minmat Limited	Subsidiary Company
8	National Limestone Company Private Limited	Subsidiary Company
9	Singhania Minerals Private Limited	Subsidiary Company
10	OneIndia BSC Private Limited	Joint venture Company (w.e.f. August 13, 2015)
(B)	**Others - With whom transactions have been taken place during the year**	
(a)	**Names of other Related parties**	**Nature of Relationship**
1	Alcon Cement Company Private Limited	Associate Company
2	Asian Concretes and Cements Private Limited	Associate Company

	Names of the Related parties	Nature of Relationship
3	Aakaash Manufacturing Company Private Limited	Associate Company
4	Lafarge India Private Limited	Fellow Subsidiary (w.e.f. July 10, 2015 and Upto October 4, 2016)
5	Holcim (Malaysia) SDN BHD	Fellow Subsidiary
6	Holcim Vietnam	Fellow Subsidiary
7	Holcim Technology (Singapore) Pte Ltd	Fellow Subsidiary
8	Siam City Cement (Lanka) Ltd {Formerly known as Holcim (Lanka) Ltd}	Fellow Subsidiary (Upto August 10, 2016)
9	PT Holcim Indonesia Tbk	Fellow Subsidiary
10	Holcim Services (South Asia) Limited	Fellow Subsidiary
11	Holcim Cement (Bangladesh) Ltd	Fellow Subsidiary
12	Holcim Philippines	Fellow Subsidiary
13	Holcim Group Services Ltd	Fellow Subsidiary
14	Holcim Technology Ltd	Fellow Subsidiary
15	Holcim Trading Pte Ltd	Fellow Subsidiary
16	Lafargeholcim Energy Solutions SAS	Fellow Subsidiary
17	Holcim (Liban) S.A.L.	Fellow Subsidiary
18	Dirk India Private Limited	Fellow Subsidiary (w.e.f. August 12, 2016)
(b)	**Key Management Personnel:**	
	Name of the Related Party	**Nature of Relationship**
1	Mr. Harish Badami	CEO & Managing Director
2	Mr. Sunil K. Nayak	Chief Financial Officer
3	Mr. Burjor D. Nariman	Company Secretary

(C) Transactions with Subsidiary Companies

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Purchase of Fixed assets**	**-**	**0.25**
	ACC Mineral Resources Limited	-	0.25
(ii)	**Reimbursement of Expenses Paid/Payable**	**4.70**	**23.51**
	ACC Mineral Resources Limited	0.01	0.44
	Bulk Cement Corporation (India) Limited	4.69	23.07
(iii)	**Reimbursement of Expenses Received/Receivable**	**1.17**	**0.49**
	Bulk Cement Corporation (India) Limited	1.04	0.35
	Singhania Minerals Private Limited	0.13	0.06
	ACC Mineral Resources Limited	-	0.02
	Lucky Minmat Limited	-	0.02
	National Limestone Company Private Limited	-	0.04

		2016 ₹ Crore	2015 ₹ Crore
(iv)	**Rendering of Services**	**2.35**	**2.12**
	Bulk Cement Corporation (India) Limited	2.35	2.12
(v)	**Receiving of Services**	**21.29**	**20.58**
	Bulk Cement Corporation (India) Limited	21.29	20.58
(vi)	**Interest received on Inter Corporate Deposit / Other advance**	**0.05**	**0.04**
	Singhania Minerals Private Limited	0.01	0.01
	National Limestone Company Private Limited	0.04	0.03
(vii)	**Interest on Short Term Loan**	**3.97**	**2.67**
	ACC Mineral Resources Limited	3.97	2.67
(viii)	**Short Term Borrowings received**	**11.70**	**35.50**
	ACC Mineral Resources Limited	11.70	35.50
(ix)	**Inter Corporate Deposits Repayment Received**	**-**	**3.08**
	Lucky Minmat Limited	-	1.31
	National Limestone Company Private Limited	-	1.77
(x)	**Inter Corporate Deposits Given**	**0.20**	**-**
	National Limestone Company Private Limited	0.20	-
(xi)	**Provision made for other than temporary diminution in the value of non-current Investments**	**42.81**	**15.15**
	ACC Mineral Resources Limited	42.81	15.15
(xii)	**Guarantee given on behalf of Subsidiary Company**	**0.04**	**-**
	Singhania Minerals Private Limited	0.04	-
(xiii)	**Guarantee given outstanding as at the end of the Year**	**0.16**	**0.12**
	Singhania Minerals Private Limited	0.04	-
	Lucky Minmat Limited	0.12	0.12
(xiv)	**Investment in Equity Shares of Subsidiary Company**	**0.50**	**-**
	Singhania Minerals Private Limited	0.50	-
(xv)	**Inter Corporate Deposits as at the end of the Year**	**0.56**	**0.36**
	National Limestone Company Private Limited	0.53	0.33
	Singhania Minerals Private Limited	0.03	0.03

		2016 ₹ Crore	2015 ₹ Crore
(xvi)	**Outstanding balance included in Trade receivables**	**1.47**	**0.32**
	Bulk Cement Corporation (India) Limited	1.25	0.17
	Singhania Minerals Private Limited	0.22	0.09
	National Limestone Company Private Limited	-	0.06
(xvii)	**Outstanding balance included in Trade payables**	**4.16**	**1.69**
	Bulk Cement Corporation (India) Limited	4.05	1.69
	National Limestone Company Private Limited	0.11	-
(xviii)	**Outstanding balance included in Short Term Borrowings**	**50.02**	**35.50**
	ACC Mineral Resources Limited	50.02	35.50
(xix)	**Interest accrued on borrowings included in Other current liabilities**	**1.70**	**2.44**
	ACC Mineral Resources Limited	1.70	2.44

(D) Transactions with Joint venture Company

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Investment in Equity Shares of Joint venture**	**-**	**2.50**
	OneIndia BSC Private Limited	-	2.50
(ii)	**Receiving of Services**	**24.66**	**-**
	OneIndia BSC Private Limited	24.66	-
(iii)	**Outstanding balance included in Trade payables**	**4.97**	**-**
	OneIndia BSC Private Limited	4.97	-

(E) Transactions with Associate Companies

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Purchase of Finished Goods**	**161.69**	**175.66**
	Alcon Cement Company Private Limited (Refer Note - 42)	69.33	81.62
	Aakaash Manufacturing Company Private Limited	92.36	94.04
(ii)	**Purchase of Raw Materials**	**31.11**	**29.82**
	Asian Concretes and Cements Private Limited	31.11	29.82

		2016 ₹ Crore	2015 ₹ Crore
(iii)	**Sale of Unfinished Goods**	**23.17**	**30.13**
	Alcon Cement Company Private Limited (Refer Note - 42)	23.17	30.13
(iv)	**Sale of Finished Goods**	**19.70**	**22.91**
	Aakaash Manufacturing Company Private Limited	19.70	22.91
(v)	**Dividend Received**	**7.64**	**2.04**
	Alcon Cement Company Private Limited	2.04	2.04
	Aakaash Manufacturing Company Private Limited	1.10	-
	Asian Concretes and Cements Private Limited	4.50	-
(vi)	**Reimbursement of Expenses Received/Receivable**	**12.68**	**10.48**
	Alcon Cement Company Private Limited	12.68	10.46
	Aakaash Manufacturing Company Private Limited	-	0.02
(vii)	**Reimbursement of Expenses Paid / Payable**	**5.47**	**-**
	Alcon Cement Company Private Limited	2.70	-
	Aakaash Manufacturing Company Private Limited	0.70	-
	Asian Concretes and Cements Private Limited	2.07	-
(viii)	**Rendering of Services**	**1.04**	**1.11**
	Alcon Cement Company Private Limited	1.04	1.11
(ix)	**Receiving of Services**	**50.36**	**60.16**
	Asian Concretes and Cements Private Limited	50.36	60.16
(x)	**Other recoveries (Net)**	**1.89**	**1.74**
	Aakaash Manufacturing Company Private Limited	1.89	1.74
(xi)	**Outstanding balance included in Trade receivables**	**9.49**	**13.99**
	Alcon Cement Company Private Limited	6.53	10.32
	Aakaash Manufacturing Company Private Limited	2.96	3.67
(xii)	**Outstanding balance included in Trade payables**	**37.94**	**27.54**
	Alcon Cement Company Private Limited	2.18	3.60
	Asian Concretes and Cements Private Limited	14.59	9.70
	Aakaash Manufacturing Company Private Limited	21.17	14.24

(F) Details of Transactions relating to Holding Companies / Ultimate Holding Company

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Dividend paid**	**160.64**	**283.28**
	Holcim (India) Private Limited	159.72	281.66
	Holderind Investments Limited	0.92	1.62
(ii)	**Purchase of Raw materials**	**0.55**	**3.25**
	Ambuja Cements Limited	0.55	3.25
(iii)	**Purchase of Finished /Unfinished goods**	**24.75**	**55.41**
	Ambuja Cements Limited	24.75	55.41
(iv)	**Purchase of Stores & Spares**	**0.32**	**0.26**
	Ambuja Cements Limited	0.32	0.26
(v)	**Sale of Finished /Unfinished Goods**	**-**	**4.22**
	Ambuja Cements Limited	-	4.22
(vi)	**Sale of Stores & Spare Parts**	**-**	**0.56**
	Ambuja Cements Limited	-	0.56
(vii)	**Sale of Raw Material**	**0.72**	**-**
	Ambuja Cements Limited	0.72	-
(viii)	**Rendering of Services**	**44.15**	**38.19**
	Ambuja Cements Limited	44.15	38.19
(ix)	**Reimbursement of Expenses Paid / Payable**	**5.54**	**2.04**
	Ambuja Cements Limited	5.54	2.04
(x)	**Reimbursement of Expenses Received / Receivable**	**2.37**	**5.78**
	Ambuja Cements Limited	1.86	5.77
	LafargeHolcim Ltd	0.51	0.01
(xi)	**Receiving of Services**	**44.55**	**29.36**
	Ambuja Cements Limited	44.55	29.36
(xii)	**Outstanding balance included in Trade receivables**	**5.05**	**24.49**
	Ambuja Cement Limited	4.53	24.49
	LafargeHolcim Ltd	0.52	-
(xiii)	**Outstanding balance included in Short-term loans and advances**	**0.16**	**0.18**
	Ambuja Cement Limited	0.16	0.18
(xiv)	**Outstanding balance included in Trade payables**	**2.47**	**27.68**
	Ambuja Cement Limited	2.47	27.68

(G) Details of Transactions relating to Fellow Subsidiary Companies

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Purchase of Raw materials and Fuel**	**203.27**	**4.18**
	Holcim Trading Pte Ltd	-	4.18
	Lafargeholcim Energy Solutions SAS	203.09	-
	Others	0.18	-
(ii)	**Purchase of Finished /Unfinished goods**	**0.72**	**4.04**
	Lafarge India Private Limited	0.72	4.04
(iii)	**Sale of Finished /Unfinished Goods**	**0.06**	**4.70**
	Lafarge India Private Limited	0.06	4.70
(iv)	**Reimbursement of Expenses Paid / Payable**	**0.11**	**-**
	Holcim (Liban) S.A.L.	0.11	-
(v)	**Reimbursement of Expenses Received / Receivable**	**0.15**	**1.29**
	Siam City Cement (Lanka) Ltd	0.15	0.35
	Holcim Technology (Singapore) Pte Ltd	-	0.53
	Holcim Services (South Asia) Limited	-	0.21
	PT Holcim Indonesia Tbk	-	0.10
	Others	-	0.10
(vi)	**Receiving of Services**	**53.54**	**47.17**
	Holcim Group Services Ltd	3.00	2.19
	Holcim Services (South Asia) Limited	48.19	43.96
	Holcim Technology Ltd	2.35	1.02
(vii)	**Technology and Know-how fees**	**107.98**	**112.76**
	Holcim Technology Ltd	107.98	112.76
(viii)	**Outstanding balance included in Trade receivables**	**0.28**	**2.94**
	Siam City Cement (Lanka) Ltd	-	0.35
	PT Holcim Indonesia Tbk	0.15	0.15
	Holcim Services(South Asia) Limited	-	0.21
	Holcim Cement (Bangladesh) Ltd	0.11	0.16
	Holcim Philippines	0.02	0.02
	Lafarge India Private Limited	-	2.05
(ix)	**Outstanding balance included in Trade payables**	**117.32**	**35.14**
	Holcim Group Services Ltd	0.04	0.37
	Holcim Services (South Asia) Limited	12.85	7.26
	Holcim Technology Ltd	23.79	26.80
	Lafargeholcim Energy Solutions SAS	80.58	-
	Lafarge India Private Limited	-	0.71
	Others	0.06	-

(H) Details of Transactions with Key Management Personnel

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Remuneration***	**10.95**	**9.46**
	Mr. Harish Badami	7.32	5.70
	Mr. Sunil K. Nayak	2.46	2.51
	Mr. Burjor D. Nariman	1.17	1.25
(ii)	**Severance cost#**	**5.27**	**-**
	Mr. Harish Badami	5.27	-
(iii)	**Outstanding balance included in Other Current Liabilities**	**8.32**	**0.38**
	Mr. Harish Badami	8.32	0.38

*Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

#The Board of Directors at its Meeting held on December 16, 2016 has accepted the resignation of Mr. Harish Badami w.e.f. February 04, 2017. The Board has approved the severance payment of ₹ 5.27 Crore pursuant to the authority conferred on it by the Members of the Company.

35. CAPITAL AND OTHER COMMITMENTS

		2016 ₹ Crore	2015 ₹ Crore
A)	Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advance)	141.22	292.88

B) For commitments relating to lease arrangements {Refer note - 33(a)}

C) The Company from time to time provides need based support to subsidiaries towards capital and other requirements.

36. (A) CONTINGENT LIABILITIES NOT PROVIDED FOR -

		2016 ₹ Crore	2015 ₹ Crore
a)	Claims not acknowledged by the Company		
	Sales tax	25.16	28.16
	Customs demand	30.97	30.97
	Claim by Suppliers	36.79	36.79
	Claims for mining Lease rent	73.46	73.46
	Others	34.08	25.62
	TOTAL	200.46	195.00

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities.

		2016 ₹ Crore	2015 ₹ Crore
b	Indemnity, Guarantee/s given to Banks/Financial Institutions, Government Bodies and others (Including Guarantee given on behalf of subsidiary companies of ₹ 0.16 Crore (*Previous year - ₹ 0.12 Crore*)	179.82	278.73

c) The Company had filed writ / appeal petitions against the orders / notices of various authorities demanding ₹ 114.45 Crore (*Previous Year – ₹ 114.24 Crore*) towards demand of additional Royalty on Limestone based on the ratio of 1.6 tonnes of Limestone to 1 tonne of Cement produced at its factories in Chattisgarh and on cement produced vis a vis consumption of limestone at its factory in Tamil Nadu. The Madhya Pradesh High Court had decided a similar matter in favour of the Company in an earlier year by directing the Authorities to only demand Royalty based on quantity of Limestone actually mined and recorded through statutory documentation, and not based on any ratio.

The Company holds the view that the payment of royalty on limestone is correctly made by the Company based on the actual quantity of limestone extracted, and feels that similar relief can also be expected from the Judiciary and / or Authorities in the cases of Chattisgarh & Tamil Nadu Units. In view of the demand being legally unjustifiable, and due to the decision of the Madhya Pradesh High Court, directly on this issue, the Company does not expect any liability in above matter .

d) i. In 2012, the Competition Commission of India ('CCI') issued an Order imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ₹ 1,147.59 Crore on the Company. On Company's appeal, Competition Appellate Tribunal ('COMPAT'), initially stayed the penalty, and by its final order dated 11th December, 2015, set aside the order of the CCI, remanding the matter back to the CCI for fresh adjudication and for passing a fresh order.

After hearing the matter, the CCI has, by its order dated August 31, 2016, imposed a penalty of ₹ 1,147.59 Crore on the Company. The Company has filed an appeal against the said Order with Competition Appellate Tribunal ('COMPAT'). Pending final disposal of the appeal, the COMPAT has stayed the penalty with a condition to deposit 10% of the penalty amount, which has been deposited and levy of interest of 12% p.a. in case the appeal is decided against the appellant. Interest amount on penalty as on December 31, 2016 is ₹ 45.90 Crore.

Based on the advice of external legal counsel, the Company believes it has good grounds for successful appeal. Accordingly, no provision is considered necessary.

ii. In a separate matter, pursuant to a reference filed by the Government of Haryana, The Competition Commission of India issued an Order dated January 19, 2017 imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ₹ 35.32 Crore on the Company. The Company is taking steps to file an appeal against the Order with the appropriate authority. Based on the advice of external legal counsel, the Company believes it has good grounds for a successful appeal. Accordingly, no provision is considered necessary.

36. (B) MATERIAL DEMANDS AND DISPUTES CONSIDERED AS "REMOTE" BY THE COMPANY

a) The Company had availed Sales Tax Incentives in respect of it's new 1 MTPA Plant at Gagal (Gagal II) under the HP State Industrial Policy, 1991. The Company had accrued Sales Tax Incentives aggregating ₹ 56 Crore. The Sales Tax Authorities had introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production (of Gagal I) prior to the commissioning of Gagal II. The Company contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP High Court and confirmed by the Supreme Court while determining the eligibility for Transport Subsidy. The Department had recovered ₹ 64 Crore (Tax of ₹ 56 Crore and interest of ₹ 8 Crore) and the same is accounted as an amount recoverable.

The HP High Court, had, in 2012, dismissed the Company's appeal. The Company believes the Hon'ble High Court's judgment is based on an erroneous understanding of certain facts and legal positions and that it also failed to consider certain key facts. The Company has been advised by legal experts that there is no change in the merits of the Company's case. Based on such advice, the Company filed a Special Leave Petition before the Hon'ble Supreme Court in, which is pending .

b) The Company was eligible for certain incentives (in the nature of One Time Lumpsum Capital Subsidy and refund of incremental VAT paid) in respect of its investment towards modernization and expansion of the Chaibasa Cement Unit pursuant to confirmation received under the State Industrial Policy of Jharkhand. Accordingly, the company has made claims for refund of VAT paid each financial year. However, no disbursals were made (except an amount of ₹ 7 Crore representing part of the One Time Lumpsum Capital Subsidy Claim of ₹ 15 Crore) as the authorities have raised various new conditions and restriction, that were extraneous to the approvals and confirmations expressly received by the Company. The Company had filed two writ petitions before the Jharkhand High Court against the restrictions and disputes on the extent of the eligible claims now being sought to be effected / raised by the Government.

The division bench of the Jharkhand High Court, while dealing with appeals by both the Company and the State of Government, against a single bench order only partially allowing the Companies claim, in it's order dated February 24, 2015, allowed the Company's Appeal in totality while dismissing the Government's Appeal, thereby confirming that the entire amount claimed by the Company is correct and hence payable immediately. Pursuant to this order, a cumulative amount of ₹ 235 Crore was standing accrued in the books upto December, 2015.

The Government of Jharkhand had filed an Special Leave Petition in the Supreme Court against the order of the division bench, which was admitted. In its interim order, the Supreme Court had, while not staying the division bench Order, had only stayed disbursement of 40% of the amount due.

The Company also pursued a contempt petition filed in the High Court of Jharkhand against non disbursal of amounts due by the Government. Consequently, as of date, the company received ₹ 64 Crore in part disbursement in the previous year from the Government of Jharkhand.

The Company is pursuing the matter of disbursement of further amounts outstanding.

The Company is of the view, and also has been advised, that the merits are strongly in its favour and it expects that the Special Leave Petition shall be rejected upholding the order of the division bench of the Jharkhand HC by the Apex Court.

c) The Company had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co Ltd., in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. The Company had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co Ltd in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80IA of the Income Tax Act, 1961. The Income tax department has disputed the Company's claim of deduction under Section 80IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of ₹ 56.66 Crore (net of provision), the Company is in appeal before the ITAT and in case of Wadi TG 3 in respect of the demand of ₹ 115.62 Crore, which was set aside by the ITAT, the Department is in appeal against the decision in favour of the Company. The Company believes that the merits of the claims are strong and will be allowed.

d) One of the Company's Cement manufacturing plants located in Himachal Pradesh was eligible, under the State Industrial Policy for deferral of its sales tax liability arising on sale of cement manufactured in the said plant. The Excise and Taxation department of the Government of Himachal Pradesh, disputed the eligibility of the company to such deferment on the ground that the company also manufactures an intermediate product, viz. Clinker, arising in the manufacture of cement, and such intermediate product was is in the negative list. A demand of ₹ 82.37 Crore was raised. The Company filed a writ petition before High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process. The Company believes its case is strong and the demand shall not sustain under law.

e) The Company is eligible for incentives for one of its cement plants situated in Maharashtra, under a Package Scheme of Incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by the Company on extraction or procurement of various raw materials (Minerals). The Department of Industries has disputed the Company's claim for refund of royalty on an erroneous technical interpretation of the sanction letter issued to the Company, that only the higher of the amount of (i) VAT Refund and (ii) Royalty refund claim amounts, each year, shall be considered. The Company maintains that such annual restriction is not applicable as long as the cumulative limit of claim does not exceed the amount of eligible investment. The Company has accrued an amount of ₹ 133 Crore till December 31, 2016 (*Previous year - ₹ 106 Crore*) on this account. The Company has filed an appeal before the Bombay High Court challenging the stand of the Government, which is admitted & pending before the Court for hearing on merit. The Company believes that the merits of the claim are strong.

f) Consequent upon the Supreme Court's judgement in Goa Foundation case, restricting the "deemed renewal" provision of captive mining leases to the first renewal period, the Company had received demand from District Mining Officer for ₹ 881 Crore for being penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014. The aforesaid demands were challenged by the company and Writ Petition with High Court of Jharkhand was filed. The petition has been admitted subject to a token deposit of ₹ 48 Crore which shall be refundable in case the matter is decided in the Companies favour.

The Company is of the considered view based on legal advice, that this demand does not have merit, and shall not stand the test of judicial scrutiny, considering that the said mining, leases pending State Government's approval, have been automatically extended upto March 31, 2030 by Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 without any recourse being made available to the State Government.

37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006*

		2016 ₹ Crore	2015 ₹ Crore
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due to micro and small enterprises (Not overdue)	7.54	4.12
	Interest due on above	-	-
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

38. INTEREST IN JOINT VENTURE

During the previous year, the Company subscribed 25,01,000 equity shares for a total consideration of ₹ 2.50 Crore in OneIndia BSC Private Limited, which is a jointly controlled entity with an equal equity participation with Ambuja Cements Limited, with aim to provide back office services with respect to routine processes.
The Company has the following investment, in a jointly controlled entity:

Name of the entity	Country of Incorporation	Percentage of ownership interest 2016	Percentage of ownership interest 2015
OneIndia BSC Private Limited	India	50	50

The company's share of the assets, liabilities, income and expenses of the jointly controlled entity are as follows:

		2016 ₹ Crore	2015 ₹ Crore
(a)	**Assets**		
	Fixed assets	0.46	-
	Long-term loans and advances	2.66	1.04
	Deferred Tax Asset (Net)	0.05	-
	Cash and bank balances	1.33	0.84
	Trade Receivable	4.03	-
	Short-term loans and advances	0.90	0.24
(b)	**Liabilities**		
	Long term provisions	0.02	-
	Trade Payable	4.20	0.65
	Other current liabilities	1.31	0.06
	Short-term provisions	0.82	-
(c)	**Income**	20.15	-
(d)	**Expenses**		
	Employee benefits expenses	9.42	0.39
	Depreciation and amortisation expense	0.50	-
	Other expenses	8.36	0.70
(e)	Tax Expenses	0.66	-
(f)	Profit/(loss) after Tax	1.66	(1.09)
(g)	Contingent liabilities	-	-
(h)	Capital commitments	-	-

39. ACC Mineral Resources Limited. (AMRL), a wholly-owned subsidiary of the Company, through its joint-venture had secured development and mining rights for four coal blocks allotted to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the order of the Supreme Court ruling that allocation of various coal blocks, including these, was arbitrary and illegal. The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, was completed, with the block being awarded to the successful bidder on March 23, 2015. Pursuant to a vesting order in this regard, possession of the coal mine was handed over to the successful bidder on April 06, 2015, with which the Company is in discussions for transfer of remaining assets. In respect of other three blocks, auctioning dates have not yet been announced.

40. PARTICULARS OF UN HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	2016			2015		
		Foreign currency in Crore	Exchange rate	₹ Crore	Foreign currency in Crore	Exchange rate	₹ Crore
Trade Payable and Other current liabilities	CHF	0.002	66.82	0.11	0.03	66.77	2.25
	USD	1.25	68.06	85.34	0.10	66.27	6.60
	GBP	0.002	84.03	0.18	0.006	98.11	0.61
	EUR	0.19	71.63	13.91	0.14	72.29	9.82

41. During the year, the Company has provided ₹ 42.81 Crore in ACC Mineral Resources Limited (*Previous year - ₹ 15.15 Crore*) for diminution in the value of this investment considering the diminution other than temporary in nature. Current year provision is considered as an exceptional item.

42. The Company has arrangements with an associate company whereby it sells clinker and purchase Cement manufactured out of such clinker. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under VAT laws, considering the accounting treatment prescribed under various accounting guidance, revenue for sale of such clinker of ₹ 20.35 Crore (*Previous year - ₹ 26.29 Crore*) has not been recognized as a part of the Turnover but has been adjusted against cost of purchase of cement so converted.

43. The Company was a subsidiary of Holcim (India) Private Limited. Pursuant to the amalgamation of Holcim (India) Private Limited into Ambuja Cements Limited, effective August 12, 2016, the Company has become a subsidiary of Ambuja Cements Limited.

44. DISCLOSURE PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) AND SECTION 186 (4) OF THE COMPANIES ACT 2013:

Nature of the transaction (loans given/investment made/ guarantee given/security provided)	Purpose for which the loan/ guarantee / security is proposed to be utilised by the recipient	**2016 ₹ Crore**	**Maximum Balance during the Year ₹ Crore**	2015 ₹ Crore	Maximum Balance during the Year ₹ Crore
(a) Loans and Advances to wholly owned Subsidiaries –					
Lucky Minmat Limited	Working Capital	-	-	-	1.31
National Limestone Company Private Limited	Working Capital	0.53	0.53	0.33	2.10
Singhania Minerals Private Limited	Working Capital	0.03	0.03	0.03	0.03

(b) Details of Investments made are given in Note 11 & 14.

(c) Guarantee given on behalf of Lucky Minmat Limited and Singhania Minerals Private Limited, wholly owned subsidiary companies, of ₹ 0.16 Crore (*Previous Year - ₹ 0.12 Crore*) for the purpose of approval of mining plan.

(d) The loanees have not made any investments in the shares of the Company

(e) The above loan is repayable on demand and carries rate of interest at 9% p.a.

45. CAPITALIZATION OF EXPENDITURE:

During the year, the company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	2016 ₹ Crore	2015 ₹ Crore
Opening balance	197.43	133.79
Expenditure during construction for projects:		
Employee benefits expense	25.26	30.10
Insurance	0.02	0.02
Rates and taxes	0.17	0.15
Depreciation	0.17	1.22
Miscellaneous expenses	13.75	41.00
Total	236.80	206.28
Less : Capitalised during the year	218.24	8.85
Balance included in capital work-in-progress	18.56	197.43

46. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS

	2016 ₹ Crore	2015 ₹ Crore
Raw Material	78.69	83.24
Stores and Spare Parts	40.66	32.30
Fuel	239.73	351.75
Capital Goods	43.43	71.58
	402.51	538.87

47. EXPENDITURE IN FOREIGN CURRENCIES (ON ACCRUAL BASIS)

	2016 ₹ Crore	2015 ₹ Crore
Technology and Know-how fees	107.98	112.76
Fees for Technical support services	4.42	8.03
Consultants' Fees	1.82	0.45
Other	7.95	3.56
	122.17	124.80

48. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES AND SPARE PARTS CONSUMED

	2016		2015	
	₹ Crore	%	₹ Crore	%
(a) Raw Materials				
Imported	43.00	2.71	61.26	3.52
Indigenous	1,544.26	97.29	1,678.52	96.48
	1,587.26	100.00	1,739.78	100.00
(b) Stores and Spare Parts				
Imported	48.29	12.40	42.27	11.18
Indigenous	341.30	87.60	335.72	88.82
	389.59	100.00	377.99	100.00

49. EARNINGS IN FOREIGN EXCHANGE (ON ACCRUAL BASIS)

	2016 ₹ Crore	2015 ₹ Crore
Others	0.66	2.59
	0.66	2.59

50. Pursuant to provisions of Schedule II of the Companies Act, 2013, becoming applicable to the Company with effect from January 1, 2015, the Company reviewed and where necessary, revised estimates of useful lives of fixed assets. Accordingly, pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, an additional charge of ₹ 153.17 Crore, being the carrying amount as of January 1, 2015 of fixed assets with no remaining useful life (as revised) as of that date, was recognized in the Statement of Profit and Loss for the year ended December 31, 2015 and disclosed as an exceptional item.

51. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

The aggregate amount of expenditure incurred during the year on Corporate Social Responsibility and shown in the respective heads of account is as follows: Further, no amount has been spent on construction / acquisition of an asset of the Company.

	2016 ₹ Crore	2015 ₹ Crore
Employee benefits expense (Refer Note - 25)	-	2.80
Miscellaneous expenses (Refer Note - 29)	22.27	28.36
TOTAL	22.27	31.16

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year 2016 is ₹ 21.47 Crore (*Previous year - ₹ 27.90 Crore*) i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

52. REMITTANCES IN FOREIGN CURRENCIES -

	2016	2015
On account of dividend to non-resident shareholders		
(a) Final Dividend		
No. of shareholders	1	1
No. of Equity Shares	5,41,000	5,41,000
Amount remitted (₹ Crore)	0.32	1.03
Year to which it pertains	2015	2014
(b) Interim Dividend		
No. of shareholders	1	1
No. of Equity Shares	5,41,000	5,41,000
Amount remitted (₹ Crore)	0.60	0.60
Year to which it pertains	2016	2015

53. PROPOSED DIVIDEND

The final dividend proposed for the year is as follows :

	2016	2015
On Equity Shares of ₹ 10 each		
Amount of dividend proposed (₹ Crore)	112.67	112.65
Dividend per Equity Share (₹)	6	6

54. The Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) would be applicable to the Company from financial year commencing on January 1, 2017. Accordingly, the financial statements have been prepared in compliance with Companies (Accounting Standards) Rules, 2006.

55. In the previous year, the Company had received approval from the Company Law Board under Section 2(41) of the Companies Act, 2013 permitting the Company to continue having January 1- December 31 as its Financial Year.

56. COMPARATIVE FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN: 00077715

FARROKH K. KAVARANA
Director
DIN: 00027689

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUSHIL KUMAR ROONGTA
Director
DIN: 00309302

VIJAY KUMAR SHARMA
Director
DIN: 02449088

NEERAJ AKHOURY
Director
DIN: 07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

CONSOLIDATED GROUP OPERATING RESULTS for the year ended December 31, 2016

		2016		2015
		₹ Crore	₹ Crore	₹ Crore
ACC`s Net Profit			602.40	591.57
Add:	Adjustment of provision for diminution in investments (AMRL)		42.81	-
Add:	Pro-rata share of profits / (losses) of subsidiaries -			
	Bulk Cement Corporation (India) Limited	2.45		(5.31)
	ACC Mineral Resources Limited	(35.62)		2.42
	Lucky Minmat Limited	(0.75)		(0.45)
	National Limestone Company Private Limited	(0.18)		(0.22)
	Singhania Mineral Private Limited	(0.10)		(0.04)
			(34.20)	(3.60)
Add:	Pro-rata share of Profit / (loss) of Joint venture			
	OneIndia BSC Private Limited		1.66	(1.09)
Add:	Pro-rata share of profit of Associates		8.79	11.77
Less:	Minority Interest of Subsidiary (BCCI)		0.13	(0.28)
Less:	Amortisation of Goodwill on acquisition of Subsidiary and			
	Investment in Associates		9.30	9.30
Less:	Dividend received from Associates		7.64	2.04
Add:	Other adjustments (Net)		(0.01)	0.01
			604.38	**587.60**

CONSOLIDATED GROUP NET WORTH as at December 31, 2016

		2016		2015
		₹ Crore	₹ Crore	₹ Crore
ACC`s Net Worth			8,661.44	8,443.04
Add:	Adjustment of provision for diminution in investments (AMRL)		42.81	-
Add:	Net worth as per Balance Sheet of Subsidiary Companies -			
	Bulk Cement Corporation (India) Limited	50.63		48.17
	ACC Mineral Resources Limited	81.90		117.52
	Lucky Minmat Limited	(0.56)		0.19
	National Limestone Company Private Limited	0.87		1.05
	Singhania Mineral Private Limited	0.31		(0.10)
		133.15		**166.83**
Add:	Pro- rata share in Net worth of Joint venture			
	OneIndia BSC Private Limited	3.07		1.41
Less:	Pro- rata share of Minority shareholders interest in			
	the Net Worth of Subsidiary Companies	2.78		2.65
Less:	ACC`s share in pre-acquisition Net Worth of			
	Subsidiary Companies / Joint venture	160.40		159.90
			(26.96)	**5.69**
Less:	Amortisation of Goodwill in Subsidiary Companies		49.73	43.85
Less:	Unrealised profit on purchase of Fixed Assets		(0.53)	(0.53)
Add:	Increase / (Decrease) in Net Worth of Alcon Cement Company Private Limited		(7.56)	(4.78)
Add:	Increase in Net Worth of Asian Cements and Concretes Private Limited		15.36	16.24
Add:	Increase in Net Worth of Aakaash Manufacturing Company Private Limited		5.77	4.38
Less:	Other adjustments (Net)		0.14	0.11
			8,641.52	**8,421.14**

FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (PURSUANT TO FIRST PROVISO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

Part "A": Subsidiaries ₹ Crore

Sl. No.	Particulars					
1	Name of the Subsidiary	ACC Mineral Resources Limited	BulK Cement Corporation (India) Limited	Lucky Minmat Limited	National Limestone Company Private Limited	Singhania Minerals Private Limited
2	Reporting period for the subsidiary	January 01, 2016 to December 31, 2016	January 01, 2016 to December 31, 2016	January 01, 2016 to December 31, 2016	January 01, 2016 to December 31, 2016	January 01, 2016 to December 31, 2016
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.
4	Share capital	121.95	33.64	3.25	2.00	0.52
		121.95	*33.64*	*3.25*	*2.00*	*0.02*
5	Reserves and surplus	(40.03)	16.99	(3.81)	(1.13)	(0.21)
		(0.29)	*14.53*	*(3.06)*	*(0.95)*	*(0.12)*
6	Total assets	86.18	64.06	0.65	1.82	0.56
		125.86	*59.87*	*0.95*	*1.76*	*0.03*
7	Total Liabilities	4.26	13.43	1.21	0.95	0.25
		4.21	*11.70*	*0.76*	*0.71*	*0.13*
8	Investments	1.96	30.60	-	-	-
		1.96	*26.30*	-	-	-
9	Turnover	-	18.55	-	-	-
		-	*18.81*	-	-	-
10	Profit / (Loss) before tax	(38.97)	3.89	(0.48)	(0.18)	(0.10)
		3.86	*(8.24)*	*(0.45)*	*(0.22)*	*(0.04)*
11	Tax expenses	0.76	1.44	0.27	-	-
		0.52	*(2.93)*	-	-	-
12	Profit / (Loss) after tax	(39.73)	2.45	(0.75)	(0.18)	(0.10)
		3.34	*(5.31)*	*(0.45)*	*(0.22)*	*(0.04)*
13	Proposed Dividend	-	-	-	-	-
		-	-	-	-	-
14	% of shareholding	100%	94.65%	100%	100%	100%
		100%	*94.65%*	*100%*	*100%*	*100%*

Figures in italics pertain to previous year

Part "B": Associates and Joint Venture

Sl. No.	Name of Associates	Associates		
		Alcon Cement Company Pvt. Ltd.	Asian Concretes and Cements Pvt. Ltd.	Aakaash Manufacturing Company Pvt. Ltd.
1	Latest audited Balance Sheet Date	December 31, 2016	December 31, 2016	December 31, 2016
	Shares of Associates held by the company on the year end	4,08,001	81,00,000	4,401
	Amount of Investment in Associates (₹ Crore)	22.25	36.81	6.01
2	Extend of Holding (%)	40%	45%	40%
3	Description of how there is significant influence	Note (a)	Note (a)	Note (a)
4	Reason why the associates is not consolidated	-	-	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ Crore)	8.60	54.80	8.96
		10.17	*55.05*	*7.55*
6	Profit / (Loss) for the year	2.21	11.48	6.84
		8.25	*15.12*	*4.16*
i.	Considered in Consolidation (₹ Crore)	0.88	5.17	2.74
		3.30	*6.81*	*1.66*
ii.	Not Considered in Consolidation (₹ Crore)	1.33	6.31	4.10
		4.95	*8.31*	*2.50*

Sl. No.	Name of Joint Ventures	Joint Ventures				
		OneIndia BSC Pvt. Ltd.	MP AMRL (Bicharpur) Coal Company Ltd.	MP AMRL (Semaria) Coal Company Ltd.	MP AMRL (Marki Barka) Coal Company Ltd.	MP AMRL (Morga) Coal Company Ltd.
1	Latest audited Balance Sheet Date	December 31, 2016	December 31, 2016	December 31, 2016	December 31, 2016	December 31, 2016
	Shares of Joint Venture held by the company on the year end	25,01,000	4,90,000	4,90,000	4,90,000	4,90,000
	Amount of Investment in Joint Venture (₹ Crore)	2.50	0.49	0.49	0.49	0.49
2	Extend of Holding (%)	50%	49%	49%	49%	49%
3	Description of how there is significant influence	N.A.	N.A.	N.A.	N.A.	N.A.
4	Reason why the joint venture is not consolidated	-	-	-	-	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ Crore)	3.07	(2.60)	0.14	(0.14)	0.32
		1.41	*(2.53)*	*0.16*	*(0.14)*	*0.32*
6	Profit / (Loss) for the year	3.32	(0.15)	(0.04)	(0.01)	(0.01)
		(2.19)	*(1.60)*	*(0.05)*	*(0.23)*	*(0.01)*
i.	Considered in Consolidation (₹ Crore)	1.66	(0.07)	(0.02)	-	-
		(1.09)	*(0.78)*	*(0.03)*	*(0.11)*	-
ii.	Not Considered in Consolidation (₹ Crore)	1.66	(0.08)	(0.02)	(0.01)	(0.01)
		(1.10)	*(0.82)*	*(0.02)*	*(0.12)*	*(0.01)*

Note : (a) There is significant influence due to percentage (%) of equity Share capital
(b) Figures in italics pertain to previous year

For and on behalf of the Board of Directors of ACC Limited,

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

NEERAJ AKHOURY
Director
DIN: 07419090

SUNIL K. NAYAK
Chief Financial Officer

MARTIN KRIEGNER
Director
DIN: 00077715

SUSHIL KUMAR ROONGTA
Director
DIN: 00309302

ASHWIN DANI
Director
DIN: 00009126

BURJOR D. NARIMAN
Company Secretary

FARROKH K. KAVARANA
Director
DIN: 00027689

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

Mumbai, February 03, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ACC Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entity, comprising of the consolidated Balance Sheet as at December 31, 2016, the consolidated Statement of Profit and Loss and 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 with the requirement 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 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 respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 control 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, issued by the Institute of Chartered Accountants of India, as 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 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 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 the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters 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 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, its associates and jointly controlled entity as at December 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 35(A)(d) of the consolidated financial statements which describes the following matters:

a. In terms of order dated August 31, 2016, the Competition Commission of India (CCI) has imposed penalty of ₹ 1,147.59 Crores for alleged contravention of the Competition Act, 2002 by the Company. The Company has filed an appeal against the CCI order before The Competition Appellate Tribunal (COMPAT). The COMPAT has granted a stay on the CCI order on the condition that the Company deposits 10% of the penalty amounting to ₹ 114.76 crores which has been deposited.

b. In terms of order dated January 19, 2017, the CCI has imposed penalty of ₹ 35.32 Crores pursuant to the reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 by the Company.

   Based on the advice of external legal counsel, no provision has been considered necessary by the Company in respect of these matters. Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards 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 December 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and jointly controlled company incorporated in India, none of the directors of the Group's companies, its associates and jointly controlled company incorporated in India is disqualified as on December 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and jointly controlled company incorporated in India, refer to our separate report in "Annexure 1" to this report;

(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 its consolidated financial position of the Group, its associates and jointly controlled entity – Refer Notes 35A(a), 35A(c), 35A(d) and 35B to the consolidated financial statements;

ii. The Group, its associates and jointly controlled entity did not have any material foreseeable losses in long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled company incorporated in India.

Other Matter

The accompanying consolidated financial statements include total assets of ₹ 98.96 Crores as at December 31, 2016, and total revenues and net cash outflows of ₹ 2.19 Crores and ₹ 0.11 Crores for the year ended on that date, in respect of five subsidiaries and four jointly controlled entities, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Company's share of net profit of ₹ 8.79 Crores for the year ended December 31, 2016, as considered in the consolidated financial statements, in respect of three associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. 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 associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, 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 and other financial information certified by the Management.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: February 3, 2017

ANNEXURE TO THE AUDITOR'S REPORT

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of ACC Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of ACC Limited as of and for the year ended December 31, 2016, we have audited the internal financial controls over financial reporting of ACC Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and jointly controlled entity, 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. its associate companies and jointly controlled entity, 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 Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled entity, which are companies incorporated in India, have, maintained 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 December 31, 2016, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to these five subsidiary companies, and three associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: February 3, 2017

CONSOLIDATED BALANCE SHEET as at December 31, 2016

Particulars	Note No.	2016 ₹ Crore	2015 ₹ Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	187.99	187.95
Reserves and surplus	4	8,453.53	8,233.19
		8,641.52	8,421.14
Minority Interest		2.78	2.65
Non-current liabilities			
Deferred tax liabilities (Net)	5	559.35	470.42
Long-term provisions	6	131.70	119.86
		691.05	590.28
Current liabilities			
Trade payables:			
Due to Micro and Small Enterprises	36	7.54	4.12
Due to others		1,252.66	873.38
Other current liabilities	7	2,183.94	2,269.06
Short-term provisions	8	607.04	639.33
		4,051.18	3,785.89
TOTAL		**13,386.53**	**12,799.96**
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	9	7,486.42	5,315.00
Intangible assets	9	13.32	15.82
Capital work-in-progress		261.03	2,379.44
Intangible assets under development		-	16.67
Non-current investments	10	88.13	86.70
Long-term loans and advances	11	984.94	1,116.76
Other non-current assets	12	483.05	465.93
		9,316.89	9,396.32
Current assets			
Current investments	13	1,598.87	1,227.45
Inventories	14	1,224.63	1,189.43
Trade receivables	15	466.35	484.43
Cash and bank balances	16	278.40	94.03
Short-term loans and advances	17	440.43	352.82
Other current assets	18	60.96	55.48
		4,069.64	3,403.64
TOTAL		**13,386.53**	**12,799.96**
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN: 00077715

FARROKH K. KAVARANA
Director
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ARUNKUMAR R GANDHI
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NEERAJ AKHOURY
Director
DIN: 07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended December 31, 2016

Particulars	Note No.	2016 ₹ Crore		2015 ₹ Crore
INCOME				
Revenue from operations (gross)		12,696.93		13,241.04
Less - Excise duty		1,529.38		1,443.88
Revenue from operations (net)	19	11,167.55		11,797.16
Other Income	20	107.20		119.78
Total Revenue			**11,274.75**	**11,916.94**
EXPENSES				
Cost of materials consumed	21	1,587.26		1,739.78
Purchase of traded goods	22	90.17		108.29
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	16.99		0.05
Employee benefits expense	24	789.86		772.16
Power and fuel		2,159.91		2,396.67
Freight and Forwarding expense	25	2,636.11		2,704.21
Finance costs	26	68.91		64.64
Depreciation and amortization expense	27	615.11		662.59
Other expenses	28	2,472.48		2,547.89
		10,436.80		10,996.28
Self Consumption of cement (net of Excise duty)		(5.96)		(9.32)
Total Expenses			**10,430.84**	**10,986.96**
Profit before exceptional items and tax			**843.91**	**929.98**
Exceptional items (Refer Note - 42)			38.59	164.45
Profit before tax			**805.32**	**765.53**
Tax expenses				
Current tax {Including MAT payable of ₹ 117.70 Crore (*Previous year – ₹ Nil*)}		238.37		260.54
Less: MAT credit entitlement		(117.70)		-
Net current tax expense		120.67		260.54
Deferred tax		88.93		(70.56)
			209.60	189.98
Profit after Tax			**595.72**	**575.55**
Share of Profit in Associates			8.79	11.77
Profit for the year			**604.51**	**587.32**
Less: Share of Profit / (Loss) attributable to Minority Interest			0.13	(0.28)
Profit for the year attributable to Shareholders of the Company			**604.38**	**587.60**
Earnings per equity share	29			
{(Face value of ₹ 10 each (*Previous year - ₹ 10 each*)}				
Basic		₹	32.19	31.30
Diluted		₹	32.11	31.22
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
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Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

CONSOLIDATED CASH FLOW STATEMENT for the year ended December 31, 2016

Particulars	2016 ₹ Crore	2015 ₹ Crore
A. Cash flow from operating activities		
Profit before Tax	805.32	765.53
Adjustments for:		
Depreciation and Amortisation expense (including Exceptional item in previous year)	615.11	827.04
Loss / (Profit) on sale / write off of fixed assets (Net)	(20.46)	45.55
Gain on sale of current investments	(23.25)	(23.95)
Interest income	(62.47)	(94.36)
Finance costs	68.91	64.64
Provision for doubtful debts and advances (Net) (including Exceptional item in current year)	48.83	13.64
Bad debts written off	0.51	0.33
Provision for Slow and non moving Stores & Spare parts	12.69	8.36
Provision no longer required written back	(23.68)	(10.94)
Capital Spares Consumed	28.11	38.56
Unrealised exchange gain (Net)	(2.80)	(2.25)
Amortisation of Goodwill of Associates	3.42	3.41
Operating profit before working capital changes	1,450.24	1,635.56
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
Increase in Trade receivable, loans & advances and other assets	(71.86)	(218.54)
Decrease / (Increase) in Inventories	(47.89)	58.59
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase in Trade payables, Other liabilities and Provisions	335.36	211.77
Cash generated from operations	1,665.85	1,687.38
Direct tax paid - (net of refunds)	(275.32)	(230.76)
Net Cash flow from operating activities	**1,390.53**	**1,456.62**
B. Cash flow from investing activities		
Loans to Joint Ventures	(0.21)	(2.63)
Payment received against loan given to Joint Venture	5.26	-
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(522.65)	(1,123.59)
Proceeds from sale of Fixed Assets	21.33	4.15
Proceeds from sale of current investments	23.25	23.95
Investment in bank deposits (having original maturity for more than 3 months) and Margin money deposit	(134.97)	(0.11)
Redemption / maturity of bank deposits (having original maturity for more than 3 months)	0.05	129.37
Dividend received from Associates	7.64	2.04
Interest Received	65.28	62.77
Net cash used in investing activities	**(535.02)**	**(904.05)**

CONSOLIDATED CASH FLOW STATEMENT for the year ended December 31, 2016 (contd.)

Particulars	2016 ₹ Crore	2015 ₹ Crore
C. Cash flow from financing activities		
Proceeds from Issuance of equity shares (including Securities premium)	0.23	-
Interest paid	(45.92)	(41.25)
Dividend paid	(320.32)	(561.67)
Dividend distribution tax paid	(64.98)	(113.36)
Net cash used in financing activities	**(430.99)**	**(716.28)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**424.52**	**(163.71)**
Cash and cash equivalents at the beginning of the year	1,417.55	1,581.26
Cash and cash equivalents at the end of the year	1,842.07	1,417.55
Components of cash and cash equivalents:		
Cash on hand	0.05	0.11
Balance with banks		
On current accounts	60.68	59.82
On deposit account	50.13	0.43
Earmarked for specific purpose (Refer Note (1) below)	32.34	33.44
Cash and cash equivalents (Refer Note - 16)	143.20	93.80
Add : Investment in Mutual Funds (Refer Note - 13)	760.60	91.30
Add : Investment in Certificate of Deposits (Refer Note - 13)	838.27	1,132.45
Add : Deposit with HDFC Limited (Refer Note - 17)	100.00	100.00
Cash and Cash equivalents in cash flow statement	**1,842.07**	**1,417.55**
Significant accounting policies (Refer Note - 2)		

Note : 1 These balances are not available for use by the Company as they represent unpaid dividend liabilities.

2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN: 00077715

FARROKH K. KAVARANA
Director
DIN: 00027689

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUSHIL KUMAR ROONGTA
Director
DIN: 00309302

VIJAY KUMAR SHARMA
Director
DIN: 02449088

NEERAJ AKHOURY
Director
DIN: 07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2016

1. COMPANY OVERVIEW

ACC Limited (the Company) is a public limited company incorporated in India under the provision of Companies Act, 1913. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) in India. The Company is engaged in the manufacturing and selling of Cement and Ready mix concrete. The Company caters mainly to the domestic market.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

a) The financial statements of ACC Limited (the Company), its subsidiaries (together "the Group"), associates and its jointly controlled entity have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

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

(ii) Principles of Consolidation

a) The Consolidated Financial Statements comprise the financial statements of ACC Limited (the Company), its subsidiaries, associates and joint venture. Reference in these notes to 'the Company' or 'ACC' shall mean to include ACC Limited and/or any of its subsidiaries consolidated in these financial statements unless otherwise stated.

b) The list of Companies which are included in consolidation and the Parent Company's holdings therein are as under:

Name of the Company		Percentage Holding	
		2016	2015
a)	**Subsidiaries**		
1	Bulk Cement Corporation (India) Limited (BCCI)	94.65%	94.65%
2	ACC Mineral Resources Limited	100%	100%
3	Lucky Minmat Limited	100%	100%
4	National Limestone Company Private Limited	100%	100%
5	Singhania Minerals Private Limited	100%	100%
b)	**Associates**		
1	Alcon Cement Company Private Limited	40%	40%
2	Asian Concretes and Cements Private Limited	45%	45%
3	Aakaash Manufacturing Company Private Limited	40%	40%
c)	**Joint Venture**		
1	OneIndia BSC Private Limited	50%	50%
d)	**Joint Ventures of ACC Mineral Resources Limited**		
1	MP AMRL(Semaria) Coal Company Limited	49%	49%
2	MP AMRL(Bicharpur) Coal Company Limited	49%	49%
3	MP AMRL(Marki Barka) Coal Company Limited	49%	49%
4	MP AMRL(Morga) Coal Company Limited	49%	49%

Notes :

1 Each of the above Companies are incorporated in India & financial statements are drawn up to the same reporting date as that of the parent Company i.e. December 31, 2016.

c) The Consolidated Financial Statements of the Company and its Subsidiary Companies have been prepared in accordance with the Accounting Standard 21 (AS-21) "Consolidated Financial Statements", on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and unrealised profits or losses are fully eliminated.

d) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

e) The excess of cost to the Company of its investment in the subsidiaries / Jointly Controlled Entities, on the acquisition dates over and above the Company's share of equity in the subsidiaries, is recognised in the Consolidated Financial Statements as Goodwill. On the other hand, where the share of equity in the subsidiaries / Jointly Controlled Entities as on the date of investment is in excess of cost of investments of the Company, it is recognised as "Capital Reserve" and shown under the head "Reserves and Surplus" in the Consolidated Financial Statements. Goodwill is amortised over a period of ten years from the date of acquisition / investment.

f) Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

   Minority interest in the net assets of consolidated subsidiaries consists of:

   (a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and

   (b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.

g) Minority interest's share of Net Profit / Loss for the year of consolidated subsidiaries is identified and presented separately. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently reports profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

h) Investment in associates where the Company directly or indirectly through subsidiaries holds significant influence, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated financial Statements" notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. Accordingly, the share of profit/ loss of the associate company (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

i) The excess of cost to the Company of its investment in the associates, on the acquisition dates over and above the Company's share of net assets in the associate, described as goodwill. On the other hand, where the share of net asset in the associate as on the date of investment is in excess of cost of investments of the Company, it is described as Capital Reserve and included in the carrying amount of investment with separate disclosure in the Consolidated Financial Statements. Goodwill is amortised over a period of ten years from the date of acquisition / investment.

j) The Consolidated Financial Statements of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the Jointly controlled entity which are accounted on the basis of the audited accounts of the Joint venture on line-by-line basis with similar items in the Company's Consolidated Financial Statement to the extent of the participating interest of the Company as per the Joint Venture Agreements in accordance with the Accounting Standard 27 (AS-27) "Financial Reporting of Interests in Joint Ventures". The intra-group balances and intra-group transactions have been eliminated to the extent of the Company's share in the entity.

(iii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. 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 the outcomes different from the estimates.

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) Tangible Fixed assets

a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any (except freehold non mining land which is carried at cost less impairment losses). The cost comprises the purchase price (net of Cenvat and VAT credit wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its gross book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

b) Machinery spares which can be used only in connection with a particular item of Fixed Assets and the use of which is irregular, are capitalized at cost.

c) Fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately under "Other Current Assets".

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

e) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition / construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Long Term Loans and Advances".

(v) Depreciation on tangible fixed assets

a) Depreciation on fixed assets, other than Captive Power Plant related assets (CPP assets), is provided using the straight-line method and on CPP assets using the written-down value method based on their respective estimated useful lives.

The Company identifies and determines cost of each component/part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Estimated useful lives of assets are determined based on technical parameters / assessment.

The aforesaid estimated useful life for computing depreciation is different in following case from the useful lives specified in the Schedule II to the Companies Act, 2013;

Particulars	Useful Life estimated by the management
Plant and Equipments related to Captive Power Plant	20 Years

Depreciation is calculated on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of commencement of commercial production till the date the assets are sold or disposed off.

b) Machinery spares which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged in the Statement of Profit and Loss, on issue for consumption.

c) Leasehold land is amortized on a straight-line basis over the period of lease which is 10 to 99 years.

d) Freehold land used for mining is depreciated on the basis of quantity of minerals actually extracted during the year with respect to the estimated total quantity of extractable mineral reserves.

(vi) Intangible Assets and amortisation

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses if any. Intangible assets are amortised over their estimated useful economic life. Computer Software cost is amortised over a period of three years using straight-line method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(vii) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized in the Statements of Profit and Loss wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

(viii) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

(ix) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which are expected to be realized within twelve months from Balance Sheet date is also presented under "Current Investments" under "Current portion of long-term investments" in consonance with the current / non-current classification of Schedule III of the Act.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value determined on an individual basis.

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.

(x) Inventories

Inventories are valued after providing for obsolescence, as follows:

a) Raw Materials, Stores & Spare parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

b) Work-in-progress, Finished goods and Stock-in-Trade

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost of Stock-in-Trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a weighted average basis.

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

(xi) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank, demand deposits with banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

(xii) Revenue recognition

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of trade discounts and returns, as applicable. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Sales exclude self-consumption of cement. Excise duties deducted from turnover (gross) are the amounts that are included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

Income from services

Revenue from services is recognised (net of service tax, as applicable) pro-rata over the period of the contract as and when services are rendered.

Interest and Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

(xiii) Government Grants and Subsidies

a) Government Grants and subsidies are recognized when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.

b) Where the Government grants / subsidies relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Government grants and subsidies receivable against an expense are deducted from such expense.

c) Grants and subsidies receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.

d) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

(xiv) Leases

Where the Company is the lessee
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor
Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

(xv) Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(xvi) Retirement and other 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 of the year in which the related service is rendered.

b) Defined contribution plans
The Company's Officer's Superannuation Fund scheme, state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the Statement of Profit and Loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

c) Defined benefit plans
The Company's Gratuity fund scheme, additional gratuity scheme and post employment benefit scheme are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of Profit and Loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of Profit and Loss.

The Company's liability is determined on the basis of an actuarial valuation using the deterministic approach.

d) Other long term benefits
Long service awards and accumulated compensated absences which are expected to be availed or encashed beyond 12 months from the end of the year, are treated as other long term employee benefits for measurement purposes. The Company's liability is determined on the basis of an actuarial valuation

using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

e) Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

f) For the purpose of presentation of Defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary. The Company presents the entire compensated absences as a short term provisions, since employee has an unconditional right to avail the leave at any time during the year.

g) Expenses incurred towards voluntary retirement scheme are charged to the Statement of Profit and Loss as and when accrue.

(xvii) Income taxes

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable provisions of the Income-tax Act, 1961 including the relevant Transfer Pricing regulations prescribed there under, read with applicable judicial precedents or interpretations, where ever relevant.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown "MAT Credit Entitlement" under the head loans and advances. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(xviii) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(xx) 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.

Mines restoration expenses is incurred on an on going basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

(xxi) Classification of Current / Non-Current Assets and Liabilities

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 Schedule III of the Companies Act, 2013. 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.

(xxii) Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Inter-segment transfers

Inter-segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

Unallocated items

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

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.

3. SHARE CAPITAL

	2016 ₹ Crore	2015 ₹ Crore
Authorised Shares		
22,50,00,000 (*Previous Year - 22,50,00,000*) Equity Shares of ₹ 10 each	225.00	225.00
10,00,00,000 (*Previous Year - 10,00,00,000*) Preference Shares of ₹ 10 each	100.00	100.00
Issued		
18,87,93,243 (*Previous Year - 18,87,93,243*) Equity Shares of ₹ 10 each	188.79	188.79
Subscribed & Paid-up		
18,77,87,263 (*Previous Year - 18,77,45,356*) Equity Shares of ₹ 10 each fully paid	187.79	187.75
Add : 3,84,060 (*Previous Year - 3,84,060*) Equity Shares of ₹ 10 each Forfeited - Amount Paid	0.20	0.20
TOTAL	187.99	187.95

i) Reconciliation of number of equity shares outstanding

	2016		2015	
	No. of shares	₹ Crore	No. of shares	₹ Crore
Equity Shares at the beginning of the year	18,77,45,356	187.75	18,77,45,356	187.75
Add: Shares issued out of held in abeyance*	41,907	0.04	-	-
Equity Shares at the end of the year	18,77,87,263	187.79	18,77,45,356	187.75

*During the current year, pursuant to the Orders passed by the Special Court (TORTS) the Company has allotted 41,907 Equity Shares (*Previous year – Nil*) out of the shares kept in abeyance of Rights Issue 1999.

ii) Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. 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 of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Equity shares held by holding company / ultimate holding company and their subsidiaries

	2016 ₹ Crore	2015 ₹ Crore
*Ambuja Cements Limited, the Holding Company		
9,39,84,120 (*Previous Year - Nil*) Equity shares ₹10 each fully paid	93.98	-
*Holcim (India) Private Limited, the Holding Company		
Nil (*Previous Year - 9,38,88,120*) Equity shares ₹10 each fully paid	-	93.89
Holderind Investments Ltd, Mauritius, Holding Company of Ambuja Cements Limited		
84,11,000 (*Previous Year - 5,41,000*) Equity shares ₹10 each fully paid	8.41	0.54

Companies referred above are subsidiaries of LafargeHolcim Ltd, Switzerland, the ultimate holding company.

iv) Details of shareholders holding more than 5% shares in the Company

	2016		2015	
	No. of shares	% holding	No. of shares	% holding
*Ambuja Cements Limited	9,39,84,120	50.05	-	-
*Holcim (India) Private Limited	-	-	9,38,88,120	50.01
Life Insurance Corporation of India	2,12,26,841	11.30	22,174,751	11.81

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

*The Company was a subsidiary of Holcim (India) Private Limited. Pursuant to the amalgamation of Holcim (India) Private Limited into Ambuja Cements Limited, effective August 12, 2016, the Company has become a subsidiary of Ambuja Cements Limited.

v) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

4. RESERVES AND SURPLUS

	2016		2015
	₹ Crore	₹ Crore	₹ Crore
Capital Reserve		15.07	15.07
Securities Premium Account			
Balance as per last Financial Statements	844.84		844.84
Add: Premium on shares issued out of held in abeyance	0.19		-
		845.03	844.84
General Reserve			
Balance as per last Financial statements	2,766.78		2,736.78
Add: Transferred from surplus in Statement of Profit and Loss	30.00		30.00
		2,796.78	2,766.78
Surplus in Statement of Profit and Loss			
Balance as per last Financial statements	4,606.50		4,433.04
Add: Profit for the year	604.38		587.60
	5,210.88		5,020.64
Less - Appropriations			
Interim equity dividend {amount per share ₹ 11 (*Previous Year - ₹ 11*)}	206.57		206.52
Proposed final equity dividend {amount per share ₹ 6 (*Previous Year - ₹ 6*)}	112.67		112.65
Tax on equity dividends	64.99		64.97
Transfer to General Reserve	30.00		30.00
	414.23		414.14
		4,796.65	4,606.50
TOTAL		8,453.53	8,233.19

5. DEFERRED TAX LIABILITIES (NET)

	2016 ₹ Crore	2015 ₹ Crore
Deferred Tax Liabilities arising on account of :		
Depreciation and amortisation differences	767.26	653.94
	767.26	653.94
Deferred Tax Assets arising on account of :		
Provision for employee benefits	44.12	27.57
Expenditure debited in Statement of Profit and Loss but allowed for tax purposes in the following years	105.59	101.32
Provision for obsolescence of Stores and Spare Parts	9.88	9.88
Provision for doubtful debts, advances and other assets	17.27	17.66
Others	31.05	27.09
	207.91	183.52
Net Deferred Tax Liabilities	559.35	470.42

6. LONG-TERM PROVISIONS

	2016 ₹ Crore	2015 ₹ Crore
Provision for employee benefits (Refer Note - 30)		
Provision for gratuity and staff benefit schemes	103.79	93.01
Long service award	6.77	6.39
Other Provisions		
Provision for Mines Restoration	21.14	20.46
TOTAL	131.70	119.86

Movement of provision during the year as required by Accounting Standard 29:
Mines Restoration Expenditure

	2016 ₹ Crore	2015 ₹ Crore
Opening provision	20.46	20.88
Add: Provision during the year	0.70	0.15
Less: Utilisation during the year	(0.02)	(0.57)
Closing provision	21.14	20.46

Mines restoration expenditure is incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

7. OTHER CURRENT LIABILITIES

	2016 ₹ Crore	2015 ₹ Crore
Investor Education and Protection Fund :- (Refer Note - (i) below)		
Unpaid dividend	32.34	33.44
Unpaid Matured Deposits	0.02	0.02
Statutory dues	415.41	378.58
Advance from customers	201.87	137.91
Security deposits and retention money	537.77	666.98
Liability for capital expenditure	99.19	115.73
Other payables	897.34	936.40
(including Rebates to customers, Employees dues, etc.)		
TOTAL	2,183.94	2,269.06

i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at December 31, 2016

8. SHORT-TERM PROVISIONS

	2016 ₹ Crore	2015 ₹ Crore
Provision for employee benefits (Refer Note - 30)		
Provision for gratuity and staff benefit schemes	23.11	9.87
Provision for compensated absences	28.14	38.44
Long service award	0.88	0.78
Other Provisions		
Provision for Income Tax (Net of advance tax)	419.30	454.66
Proposed Final Dividend	112.67	112.65
Tax on proposed dividend	22.94	22.93
TOTAL	607.04	639.33

9. FIXED ASSETS

₹ Crore

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01-01-2016	Additions	Deductions	As at 31-12-2016	As at 01-01-2016	For the Year	Deductions	As at 31-12-2016	As at 31-12-2016	As at 31-12-2015
Tangible Assets :										
Freehold Non Mining Land	92.69	6.92	-	99.61	-	-	-	-	99.61	92.69
Freehold Mining Land	299.09	6.49	-	305.58	2.24	0.24	-	2.48	303.10	296.85
Leasehold Land	86.06	24.60	1.38	109.28	46.01	3.18	0.10	49.09	60.19	40.05
Buildings	1,467.49	648.84	0.73	2,115.60	538.93	65.24	0.50	603.67	1,511.93	928.56
Plant and Equipment	9,060.09	2,004.92	91.58	10,973.43	5,296.67	498.56	58.14	5,737.09	5,236.34	3,763.42
Railway Sidings	181.67	87.18	-	268.85	72.64	14.29	-	86.93	181.92	109.03
Furniture & Fixtures	46.15	3.99	0.31	49.83	26.48	4.71	0.13	31.06	18.77	19.67
Vehicles	61.97	17.00	1.54	77.43	28.19	8.78	1.45	35.52	41.91	33.78
Office equipment	133.41	16.01	4.34	145.08	102.46	14.04	4.07	112.43	32.65	30.95
TOTAL	11,428.62	2,815.95	99.88	14,144.69	6,113.62	609.04	64.39	6,658.27	7,486.42	5,315.00
Intangible Assets										
Computer Software	59.14	3.74	-	62.88	58.89	0.36	-	59.25	3.63	0.25
Goodwill	59.42	-	-	59.42	43.85	5.88	-	49.73	9.69	15.57
TOTAL	118.56	3.74	-	122.30	102.74	6.24	-	108.98	13.32	15.82

Notes:-

(i) Buildings include cost of shares ₹ 4,120 (*Previous Year - ₹ 4,960*) in various Co-operative Housing Societies, in respect of 8 (*Previous Year - 10*) residential flats.

(ii) Plant and Equipment includes assets given on lease to Railways under "Own Your Wagons" Scheme of ₹ 28.48 Crore (*Previous Year - ₹ 28.48 Crore*) and accumulated depreciation ₹ 28.48 Crore (*Previous Year - ₹ 28.48 Crore*).

(iii) Depreciation charge for the year include ₹ 0.17 Crore (*Previous year - ₹ 1.22 Crore*) capitalised as pre-operative expenses.

(iv) Goodwill is on account of Investment in subsidiaries.

(v) Major additions in tangible assets is relating to capitalisation of Clinkering Facility of 2.79 MTPA and Cement facility of 1.1 MTPA at Jamul in State of Chhattisgarh and Cement grinding facility of 1.35 MTPA at Sindri in State of Jharkhand in current year.

9. FIXED ASSETS (contd.)

₹ Crore

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 01-01-2015	Additions	Deductions	As at 31-12-2015	As at 01-01-2015	For the Year	Adjustment as disclosed under exceptional item {Refer Note - 42 (b)}	Deductions	As at 31-12-2015	As at 31-12-2015	As at 31-12-2014
Tangible Assets :											
Freehold Non Mining Land	118.88	5.87	32.06	92.69	-	-	-	-	-	92.69	118.88
Freehold Mining Land	166.98	132.11	-	299.09	1.99	0.25	-	-	2.24	296.85	164.99
Leasehold Land	77.36	8.70	-	86.06	41.29	4.72	-	-	46.01	40.05	36.07
Buildings	1,362.78	117.40	12.69	1,467.49	409.07	75.12	59.49	4.75	538.93	928.56	953.71
Plant and Equipment	8,899.96	298.90	138.77	9,060.09	4,769.75	527.11	79.34	79.53	5,296.67	3,763.42	4,130.21
Railway Sidings	178.50	4.58	1.41	181.67	58.88	13.23	1.88	1.35	72.64	109.03	119.62
Furniture & Fixtures	44.78	2.63	1.26	46.15	20.68	5.96	0.90	1.06	26.48	19.67	24.10
Vehicles	55.51	8.23	1.77	61.97	21.84	7.66	0.18	1.49	28.19	33.78	33.67
Office equipment	126.06	14.51	7.16	133.41	63.51	23.32	22.66	7.03	102.46	30.95	62.55
TOTAL	11,030.81	592.93	195.12	11,428.62	5,387.01	657.37	164.45	95.21	6,113.62	5,315.00	5,643.80
Intangible Assets											
Computer Software	59.25	0.07	0.18	59.14	58.51	0.56	-	0.18	58.89	0.25	0.74
Goodwill	59.42	-	-	59.42	37.97	5.88	-	-	43.85	15.57	21.45
TOTAL	118.67	0.07	0.18	118.56	96.48	6.44	-	0.18	102.74	15.82	22.19

10. NON-CURRENT INVESTMENTS

(VALUED AT COST UNLESS STATED OTHERWISE)

	2016			2015	
	Numbers	₹ Crore		Numbers	₹ Crore
Trade Investments					
Unquoted equity instruments					
Investment in Associates					
Face value ₹ 10 each					
Alcon Cement Company Private Limited	4,08,001	17.47		4,08,001	17.83
{includes unamortised Goodwill of ₹ 1.99 Crore (*Previous Year - ₹ 3.61 Crore*)}					
Add : Share of Profit		0.88			3.30
Less: Dividend Received		(2.04)			(2.04)
Less: Amortisation of Goodwill		(1.62)			(1.62)
			14.69		17.47
Asian Concretes and Cements Private Limited	81,00,000	53.05		81,00,000	47.79
{includes unamortised Goodwill of ₹ 5.06 Crore (*Previous Year - ₹ 6.61 Crore*)}					
Add : Share of Profit		5.17			6.81
Less: Dividend Received		(4.50)			-
Less: Amortisation of Goodwill		(1.55)			(1.55)
			52.17		53.05
Aakaash Manufacturing Company Private Limited	4,401	10.39		4,401	8.97
{includes unamortised Goodwill of ₹ 1.26 Crore (*Previous Year - ₹ 1.51 Crore*)}					
Add : Share of Profit		2.74			1.66
Less: Dividend Received		(1.10)			-
Less: Amortisation of Goodwill		(0.25)			(0.24)
			11.78		10.39
			78.64		80.91

10. NON-CURRENT INVESTMENTS (contd.)

(VALUED AT COST UNLESS STATED OTHERWISE)

	2016			2015	
	Numbers	₹ Crore		Numbers	₹ Crore
Non trade investments					
(a) Quoted equity instruments					
Shiva Cement Limited (Face value ₹ 2 each)	2,36,50,000	23.65		2,36,50,000	23.65
Less: Provision for other than temporary diminution in the value		17.86			17.86
		5.79			5.79
(b) Investment in equity instruments (unquoted)					
Face value ₹ 10 each					
*Kanoria Sugar & General Mfg. Company Limited	4	-		4	-
*Gujarat Composites Limited	60	-		60	-
*Rohtas Industries Limited	220	-		220	-
*The Jaipur Udyog Limited	120	-		120	-
*Digvijay Finlease Limited	90	-		90	-
*The Travancore Cement Company Limited	100	-		100	-
*Ashoka Cement Limited	50	-		50	-
Face value ₹ 5 each					-
*The Sone Valley Portland Cement Company Limited	100	-		100	-
			5.79		5.79
(c) Investment in Bonds (Unquoted)					
Face value ₹ 10,00,000 each					
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70		37	3.70
Less: Current portion of long term investments#		-			3.70
			3.70		-
TOTAL			88.13		86.70

Notes

(I)	Aggregate amount of quoted Investments	5.79	5.79
	{Market value ₹ 28.36 Crore (*Previous Year - ₹ 17.05 Crore*)}		
	Aggregate amount of unquoted Investments	82.34	80.91
(II)	Aggregate provision for diminution in value of investments	17.86	17.86

(III) *Denotes amount less than ₹ 50,000

(IV) #Amount included under the head "Current investment" (Refer Note - 13). Bonds are renewed in the current year

11. LONG-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Capital Advances	97.65	300.25
Security deposits	183.34	206.81
Deposits with Government Bodies and Others		
Considered Good	251.80	250.23
Considered Doubtful	8.33	9.78
	260.13	260.01
Less: Allowance for doubtful deposits	8.33	9.78
	251.80	250.23
Loans and advances to related parties {Refer Note - 33 (G)}		
Considered Good	13.61	37.93
Considered Doubtful	19.27	-
	32.88	37.93
Less: Allowance for doubtful advances	19.27	-
	13.61	37.93
Advances recoverable in cash or kind	14.50	15.01
Advance tax (Net of provision for tax)	306.34	306.53
MAT credit entitlement	117.70	-
TOTAL	984.94	1,116.76

12. OTHER NON-CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Incentives under Government schemes and other receivables		
Considered Good	482.99	465.82
Considered Doubtful	4.60	6.39
	487.59	472.21
Less: Provision for doubtful receivables	4.60	6.39
	482.99	465.82
Non-current bank balance (Refer note - 16)	0.06	0.11
TOTAL	483.05	465.93

13. CURRENT INVESTMENTS

(VALUED AT LOWER OF COST AND FAIR VALUE, UNLESS OTHERWISE STATED)

	2016			2015	
	Numbers	₹ Crore		Numbers	₹ Crore
Current Portion of Long Term Investment (valued at cost) (Refer Note - 10)					
Investment in Bonds (Unquoted)					
Face value ₹ 1,000,000 each					
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70		37.00	3.70
Less: Transferred to long term investments		3.70			-
			-		3.70
Investment in Certificate of Deposits - Fully paid-up (unquoted)					
Unit of Face value ₹ 1,00,000 each					
Canara Bank	20,000	197.15		-	-
ICICI Bank Limited	15,000	147.95		-	-
Kotak Mahindra Bank Limited	10,000	98.54		25,000	245.69
Andhra Bank	20,000	197.19		20,000	196.51
Corporation Bank	20,000	197.44		10,000	98.46
IDBI Bank Limited	-	-		7,500	73.73
HDFC Bank Limited	-	-		7,500	74.02
Bank of Maharashtra	-	-		25,000	246.51
Oriental Bank	-	-		20,000	197.53
			838.27		1,132.45
Investment in Mutual Funds - Fully paid-up (Unquoted)					
Unit of Face value ₹ 100 each					
ICICI Prudential Liquid Plan - Growth	63,47,935.561	150.00		-	-
Birla Sunlife Cash Plus Fund - Growth	50,65,307.074	130.00		-	-
DWS Insta Cash Plus Fund-Growth	-	-		4,31,498.475	8.30
Unit of Face value ₹ 1,000 each					
Kotak Floater ST - Growth	5,44,104.214	142.60		1,60,227.087	39.00
Invesco India Liquid Fund - Growth (Formerly known as Religare Liquid Fund - Growth)	5,45,810.988	120.00		1,95,736.947	40.00
Reliance Liquid Fund-Treasury plan - Growth	1,80,190.786	70.00		11,078.784	4.00
HDFC Liquid Fund - Growth	4,45,512.227	140.00		-	-
SBI Magnum Insta Cash Fund - Regular Plan - Growth	22,692.359	8.00		-	-
			760.60		91.30
TOTAL			1,598.87		1,227.45
Aggregate amount of unquoted Investments			1,598.87		1,227.45

14. INVENTORIES

(AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

	2016 ₹ Crore	2015 ₹ Crore
Raw Materials	131.07	132.01
{Including in transit ₹ 2.87 Crore (*Previous Year - ₹ 3.83 Crore*)}		
Work-in-Progress	238.74	241.20
Finished Goods	139.00	152.90
Stock-in-trade	0.02	0.65
Stores & Spare Parts	301.93	266.31
{Including in transit ₹ 9.27 Crore (*Previous Year - ₹ 7.08 Crore*)}		
Packing Material	19.08	18.24
Fuels	394.79	378.12
{Including in transit ₹ 22.10 Crore (*Previous Year ₹ 6.43 Crore*)}		
TOTAL	1,224.63	1,189.43

15. TRADE RECEIVABLES

	2016 ₹ Crore	2015 ₹ Crore
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	6.26	19.88
Unsecured, considered doubtful	35.29	27.45
	41.55	47.33
Less: Provision for doubtful trade receivables	35.29	27.45
	6.26	19.88
Other Trade receivables		
Secured, considered good	55.78	77.88
Unsecured, considered good	404.31	386.67
Unsecured, considered doubtful	1.69	7.41
	461.78	471.96
Less: Provision for doubtful trade receivables	1.69	7.41
	460.09	464.55
TOTAL	466.35	484.43

16. CASH AND BANK BALANCES

	2016 ₹ Crore	2015 ₹ Crore
Cash and cash equivalents		
Balances with banks:		
On current accounts	60.68	59.82
Deposits with original maturity of less than three months	50.13	0.43
#On unpaid dividend account	32.34	33.44
Cash on hand	0.05	0.11
	143.20	93.80
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	115.25	0.22
**Margin money deposit	19.94	-
Deposits with remaining maturity for more than 12 months	0.06	0.11
Less : Amount disclosed under other non-current asset (Refer note - 12)	(0.06)	(0.11)
	-	-
Post office saving accounts	0.01	0.01
	135.20	0.23
TOTAL	278.40	94.03

#These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

*Includes fixed deposit with lien in favour of Competition Appellate Tribunal (COMPAT) of ₹ 114.76 Crore (*Previous Year* - ₹ *Nil*) {Refer Note - 35 (A) (d)}.

**Margin money deposit is against bank guarantee given to Government authorities.

17. SHORT-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Security deposits	23.00	20.52
Advances recoverable in cash or kind	168.40	115.68
Other loans and advances		
Balances with statutory / government authorities	149.03	116.62
Deposit with HDFC Limited	100.00	100.00
TOTAL	440.43	352.82

18. OTHER CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2016 ₹ Crore	2015 ₹ Crore
Interest accrued on investments	3.72	6.53
Other accrued interest	1.33	1.25
Fixed assets held for sale	46.53	47.33
Other receivables		
Considered good	9.38	0.37
Considered doubtful	14.29	-
	23.67	0.37
Less: Provision for doubtful receivables	14.29	-
	9.38	0.37
TOTAL	60.96	55.48

19. REVENUE FROM OPERATIONS

	2016 ₹ Crore	2015 ₹ Crore
Sale of products		
Finished goods	12,359.94	12,745.39
Traded goods	92.71	112.37
Sale of services	22.35	18.88
Sale of products and services (gross)	12,475.00	12,876.64
Less: Excise duty	1,529.38	1,443.88
Sale of products and services (net)	10,945.62	11,432.76
Other operating revenue	221.93	364.40
Revenue from operations (net)	11,167.55	11,797.16
Breakup of Revenue from operations (net) is as follows:		
A. Details of products sold	**2016** **₹ Crore**	**2015** **₹ Crore**
Finished goods (Net of Excise duty)		
Cement	9,841.80	10,437.09
Ready Mix Concrete	948.77	851.47
Clinker	39.99	12.95
	10,830.56	11,301.51
Traded Goods		
Cement	-	15.22
Ready Mix Concrete	92.71	97.15
	92.71	112.37
B. Details of sale of services		
Pumping and Conversion services relating to Ready mix concrete	13.14	18.88
Business shared services (Refer Note - 45)	9.21	-
	22.35	18.88

19. REVENUE FROM OPERATIONS (contd.)

	2016 ₹ Crore	2015 ₹ Crore
C. Detail of other Operating revenue		
Provision no longer required written back	23.68	10.94
Sale of Surplus generated Power	13.11	5.39
Scrap Sales	26.85	33.10
Sales tax Incentives*	65.89	214.54
Miscellaneous Income (including insurance claim, other services, etc.)	92.40	100.43
TOTAL	221.93	364.40
Total Revenue from operations (net) (A+B+C)	11,167.55	11,797.16
*Sales tax Incentives under State Investment Promotion Scheme		

20. OTHER INCOME

	2016 ₹ Crore	2015 ₹ Crore
Interest on bank deposits	58.36	59.67
Interest on income tax	0.03	29.84
Other interest income	4.08	4.85
Profit on sale of fixed assets (Net)	20.46	-
Gain on sale of current investments	23.25	23.95
Others	1.02	1.47
TOTAL	107.20	119.78

21. COST OF MATERIALS CONSUMED

	2016 ₹ Crore	2015 ₹ Crore
Opening Stock	132.01	139.07
Purchase	1,586.32	1,732.72
	1,718.33	1,871.79
Less: Closing Stock	131.07	132.01
TOTAL	1,587.26	1,739.78

Details of cost of materials consumed	2016 ₹ Crore	2015 ₹ Crore
Slag	184.41	198.64
Gypsum	288.90	368.29
Fly Ash	311.96	353.05
Aggregates	80.11	134.31
Cement	154.71	79.21
Others*	567.17	606.28
TOTAL	1,587.26	1,739.78

*includes no item which in value individually accounts for 10 percent or more of the total value of cost of materials consumed.

22. PURCHASE OF TRADED GOODS

	2016 ₹ Crore	2015 ₹ Crore
Cement	-	13.71
Ready Mixed Concrete	90.17	94.58
TOTAL	90.17	108.29

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	2016 ₹ Crore	2015 ₹ Crore	(Increase) / decrease ₹ Crore
Inventories at the end of the year			
Stock-in-trade	0.02	0.65	0.63
Finished Goods	139.00	152.90	13.90
Work-in-progress	238.74	241.20	2.46
	377.76	394.75	16.99
Inventories at the beginning of the year			
Stock-in-trade	0.65	0.37	(0.28)
Finished Goods	152.90	154.11	1.21
Work-in-progress	241.20	240.32	(0.88)
	394.75	394.80	0.05
TOTAL	16.99	0.05	

24. EMPLOYEE BENEFITS EXPENSE

	2016 ₹ Crore	2015 ₹ Crore
Salaries and Wages	676.75	669.51
Contributions to Provident and other Funds	63.89	57.32
Staff Welfare Expenses	49.22	45.33
TOTAL	789.86	772.16

25. FREIGHT AND FORWARDING EXPENSE

	2016 ₹ Crore	2015 ₹ Crore
On Clinker transfer	452.86	460.32
On finished products	2,183.25	2,243.89
TOTAL	2,636.11	2,704.21

26. FINANCE COSTS

	2016 ₹ Crore	2015 ₹ Crore
Interest expenses	44.23	43.45
Interest on Income Tax	24.68	21.19
TOTAL	68.91	64.64

27. DEPRECIATION AND AMORTIZATION EXPENSE

	2016 ₹ Crore	2015 ₹ Crore
Depreciation of tangible assets	608.87	656.15
Amortization of intangible assets	6.24	6.44
TOTAL	615.11	662.59

28. OTHER EXPENSES

	2016 ₹ Crore	2015 ₹ Crore
	390.24	378.84
Consumption of packing materials	353.84	404.44
Excise duty variation on opening and closing stock	(0.14)	1.88
Rent	31.98	30.37
Rates and Taxes	149.68	146.23
Repairs to Buildings	9.78	8.47
Repairs to Machinery	138.05	134.45
Repairs to other Items	25.59	23.74
Insurance	24.84	25.63
Royalty on minerals	217.37	206.22
Discount on sales	76.68	90.80
Advertisement	80.57	110.13
Technology and Know-how fees	107.98	112.76
Miscellaneous expenses (Refer Note - 43 and Note below)*	866.02	873.93
TOTAL	2,472.48	2,547.89
*Does not include any item of expenditure with a value of more than 1% of turnover		

Miscellaneous expenses includes:

(a) Loss on sale / write off of Fixed Assets (Net) - ₹ Nil (Previous Year - ₹ 45.55 Crore)

(b) Grinding facility charges, Commission on sales, Information technology services, Traveling expenses, Other third party services etc.

29. EARNINGS PER SHARE - [EPS]

		2016 ₹ Crore	2015 ₹ Crore
Profit for the year attributable to Shareholders of the Company		604.38	587.60
Weighted average number of equity shares for Earnings Per Share computation			
Shares for Basic Earnings Per Share		18,77,71,233	18,77,45,356
Add: Potential diluted equity shares on account of shares in abeyance		4,75,207	4,83,518
(Movement in Number of shares is on account of change in fair value of share and 41,907 shares issued in current year)			
Number of Shares for Diluted Earnings Per Share		18,82,46,440	18,82,28,874
Earnings Per Share			
Face value per Share	₹	10.00	10.00
Basic	₹	32.19	31.30
Diluted	₹	32.11	31.22

30. EMPLOYEE BENEFITS:

a) Defined Contribution Plans – Amount recognised and included in Note 24 "Contributions to Provident and other Funds" of Statement of Profit and Loss ₹ 17.26 Crore (*Previous Year - ₹ 18.28 Crore*).

b) Defined Benefit Plans – As per actuarial valuation on December 31, 2016

The Company has a defined benefit gratuity, additional gratuity, post employment medical benefit plans and Trust managed provident fund plan as given below:

i. Every employee who has completed minimum five years of service is entitled to gratuity at 15 days salary for each completed year of services. The scheme is funded with insurance companies in the form of qualifying insurance policies.

ii. Every employee who has joined before December 01, 2005 and separates from service of the Company on Superannuation and on medical grounds is entitled to additional gratuity. The scheme is Non Funded.

iii. Benefits under Post Employment medical Benefit plans are payable for actual domiciliary treatment / hospitalization for employees and their specified relatives. The scheme is Non Funded.

iv. Provident fund for certain eligible employees is managed by the Company through trust " The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The ASB Guidance on Implementing AS-15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefit plans involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund and there is no shortfall as at December 31, 2016 and December 31, 2015.

30. EMPLOYEE BENEFITS: (contd.)

Defined Benefit Plans as per Actuarial valuation on December 31, 2016

			Gratuity (Including additional gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
			Funded	Non Funded		
			₹ Crore	₹ Crore	₹ Crore	₹ Crore
I	**Expense recognised in the Statement of Profit and Loss – for the year ended December 31, 2016**					
	1	Current Service cost	11.91	6.95	0.04	20.92
			10.71	*5.76*	*0.03*	*19.54*
	2	Interest Cost	13.60	7.17	0.46	43.83
			14.01	*6.51*	*0.47*	*38.65*
	3	Employee Contributions	-	-	(0.32)	-
			-	-	*(0.31)*	-
	4	Expected return on plan assets	(14.02)	-	-	(53.89)
			(14.80)	-	-	*(48.54)*
	5	Net Actuarial (Gains) / Losses	17.42	6.34	1.39	18.20
			4.25	*3.08*	*0.01*	*20.43*
	6	Total expense	28.91	20.46	1.57	29.06
			14.17	*15.35*	*0.20*	*30.08*
II	**Amount recognised in Balance Sheet**					
	1	Present value of Defined Benefit Obligation	(204.21)	(106.11)	(6.53)	(630.11)
			(188.74)	*(96.03)*	*(5.72)*	*(557.29)*
	2	Fair value of plan assets	189.95	-	-	638.59
			187.61	-	-	*574.31*
	3	Funded status {Surplus/(Deficit)}	(14.26)	(106.11)	(6.53)	8.48
			(1.13)	*(96.03)*	*(5.72)*	*17.02*
	4	Net asset/(liability) as at December 31, 2016*	(14.26)	(106.11)	(6.53)	8.48
			(1.13)	*(96.03)*	*(5.72)*	*17.02*
III	**Present Value of Defined Benefit Obligation**					
	1	Present value of Defined Benefit Obligation at beginning of the year	188.74	96.03	5.72	557.29
			188.36	*85.42*	*6.26*	*492.22*
	2	Current Service cost	11.91	6.95	0.04	20.92
			10.71	*5.76*	*0.03*	*19.54*
	3	Interest Cost	13.60	7.17	0.46	43.83
			14.01	*6.51*	*0.47*	*38.65*
	4	Employee Contributions	-	-	(0.32)	54.75
			-	-	*(0.31)*	*48.11*
	5	Actuarial (Gains) / Losses	20.71	6.34	1.39	19.50
			6.00	*3.08*	*0.01*	*19.24*
	6	Benefits Payments	(30.55)	(10.38)	(0.76)	(14.15)
			(30.34)	*(4.74)*	*(0.74)*	*(14.64)*
	7	Net transfer in / (out)	(0.20)	-	-	(52.03)
			-	-	-	*(45.83)*
	8	Present value of Defined Benefit Obligation at the end of the year	204.21	106.11	6.53	630.11
			188.74	*96.03*	*5.72*	*557.29*

(Figures in italics pertain to previous year)

30. EMPLOYEE BENEFITS: (contd.)

		Gratuity (Including additional gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
		Funded	Non Funded		
		₹ Crore	₹ Crore	₹ Crore	₹ Crore
IV	**Fair Value of Plan Assets**				
1	Plan assets at the beginning of the year	187.61	-	-	574.31
		177.24	-	-	*520.19*
2	Expected return on plan assets	14.02			53.89
		14.80	-	-	*48.54*
3	Contributions by Employer	16.78			20.52
		11.84	-	-	*19.13*
4	Contributions by Employee	-	-	-	54.75
		-	-	-	*48.11*
5	Actual benefits paid	(31.75)	-	-	(14.15)
		(18.02)	-	-	*(14.64)*
6	Net transfer in / (out)	-	-	-	(52.03)
		-	-	-	*(45.83)*
7	Actuarial Gains / (Losses)	3.29	-	-	1.30
		1.75	-	-	*(1.19)*
8	Plan assets at the end of the year	189.95	-	-	638.59
		187.61	-	-	*574.31*
9	Actual return on plan assets	17.31	-	-	55.19
		16.55	-	-	*47.35*

V	**The major categories of plan assets as a percentage of total plan**	**Gratuity**		**Provident fund**	
		2016	**2015**	**2016**	**2015**
		%	**%**	**%**	**%**
	Government securities	52	50	52	50
	Debentures and Bonds	27	29	48	50
	Equity Shares	10	9	-	-
	Fixed Deposits	11	12	-	-
		100	100	100	100

VI	**Effect of One percentage point change in the assumed Medical Inflation rate**	**One percentage increase - ₹ Crore**	**One percentage decrease - ₹ Crore**
	Increase /(Decrease) on aggregate service and interest cost of Post Employment Medical benefits	0.03	(0.03)
		0.03	*(0.03)*
	Increase/(Decrease) on Present value of Defined Benefit Obligation as at December 31, 2016	0.83	(0.79)
		0.56	*(0.57)*

(Figures in italics pertain to previous year)

30. EMPLOYEE BENEFITS: (contd.)

VII Actuarial Assumptions:

a) Financial Assumptions

1	Discount Rate	6.60% p.a. *(P.Y.- 7.80 % p.a.)*
2	Expected rate of return on plan assets (Gratuity)	8.50% p.a. *(P.Y.- 8.50% p.a.)*
3	Expected rate of return on plan assets (Provident fund)	8.98% p.a. *(P.Y.- 9.31% p.a.)*
4	Salary increase rate	7% p.a. *(P.Y.- 7% p.a.)*

b) Demographic Assumptions

1	Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate *Indian Assured Lives Mortality (2006-08) (Modified) Ultimate*
2	Mortality post-retirement	Mortality for annuitants LIC (1996-98) ultimate *Mortality for annuitants LIC (1996-98) ultimate*
3	Turnover rate	5% p.a. *(P.Y. - 5% p.a.)*
4	Medical premium inflation	12% p.a. for the first 4 years and thereafter 8% p.a. *12% p.a. for the first 4 years and thereafter 8% p.a.*

(Figures in italics pertain to previous year)

c) Basis used to determine expected rate of return on assets:

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The Gratuity Scheme is invested in Life Insurance Corporation (LIC) of India's Group Gratuity–cum-Life Assurance cash accumulation policy and HDFC Standard Life's Group Unit Linked Plan - For Defined Benefit Scheme.

The Trust formed by the Company manages the investments of provident fund plan.

d) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) The Company expects to contribute ₹ 18.00 Crore (*Previous year - ₹ 11.00 Crore*) to Gratuity fund and ₹ 23.00 Crore (*Previous year - ₹ 18.84 Crore*) to trust managed provident fund in the year 2017.

f) Post employment defined benefit plan expenses are included under employee benefit expenses in the statement of Profit and Loss.

30. EMPLOYEE BENEFITS: (contd.)

g) Amounts for the current and previous four years are as follows:

(i) Gratuity (Funded)

₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(204.21)	(188.74)	(188.36)	(165.88)	(160.11)
Plan assets	189.95	187.61	177.24	149.80	137.12
Surplus / (deficit)	(14.26)	(1.13)	(11.12)	(16.08)	(22.99)
Experience adjustments on plan assets	(3.28)	(1.75)	(2.42)	(1.17)	(1.29)
Experience adjustments on plan liabilities	5.71	5.72	8.62	11.76	16.89

(ii) Gratuity (Non funded)

₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(106.11)	(96.03)	(85.42)	(71.18)	(65.54)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(106.11)	(96.03)	(85.42)	(71.18)	(65.54)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	(0.14)	0.26	3.17	5.05	7.33

(iii) Post Employment Medical Benefits

₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(6.53)	(5.72)	(6.26)	(4.18)	(3.50)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(6.53)	(5.72)	(6.26)	(4.18)	(3.50)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	0.72	(0.26)	2.25	1.33	1.38

(iv) Provident Fund

₹ Crore

	2016	2015	2014	2013	2012
Defined benefit obligation	(630.11)	(557.29)	(492.22)	(445.67)	(392.76)
Plan assets	638.59	574.31	520.19	447.55	400.31
Surplus / (deficit)*	8.48	17.02	27.97	1.88	7.55
Experience adjustments on plan assets	1.30	(1.19)	21.08	4.92	(5.15)
Experience adjustments on plan liabilities	14.50	19.75	(1.19)	(4.88)	(4.58)

*In respect of Provident Fund, Since there is surplus the same has not been recognised in Balance Sheet, only liability recognised in Balance Sheet.

h) Amount recognised as an expense under employee benefit expenses in the statement of Profit and Loss in respect of other benefits is ₹ 12.31 Crore (*Previous Year - ₹ 22.29 Crore*).

i) Present value of compensated absences at year end is ₹ 28.14 Crore (*Previous Year - ₹ 38.44 Crore*) after net of plan assets of ₹ 88.77 Crore (*Previous year - ₹ 77.54 Crore*).

j) Present value of Long service award obligation at year end is ₹ 7.65 Crore (*Previous Year - ₹ 7.17 Crore*). This scheme is non funded.

31. SEGMENT REPORTING

The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system. The Company's operations predominantly relate to manufacture of Cement and Ready Mix Concrete. The export turnover is not significant in the context of total turnover of the company and further the risk and returns are not significantly different from that of India. As such there is only one geographical segment.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ Crore

	Cement		Ready Mix Concrete		Total	
	2016	2015	2016	2015	2016	2015
REVENUE						
External sales	9,891.00	10,465.26	1,054.62	967.50	10,945.62	11,432.76
Other operating revenue	212.67	352.80	9.26	11.60	221.93	364.40
Inter-segment sales	186.47	187.34	6.31	7.34	192.78	194.68
	10,290.14	11,005.40	1,070.19	986.44	11,360.33	11,991.84
Less : Elimination	(186.47)	(187.34)	(6.31)	(7.34)	(192.78)	(194.68)
Total revenue	**10,103.67**	**10,818.06**	**1,063.88**	**979.10**	**11,167.55**	**11,797.16**
RESULT						
Segment result	**745.94**	**864.73**	**55.64**	**25.09**	**801.58**	**889.82**
Unallocated corporate Income net off Unallocated (expenditure)					48.77	10.44
Operating Profit					**850.35**	**900.26**
Finance Costs					(68.91)	(64.64)
Interest and Dividend income					62.47	94.36
Exceptional items (Refer Note - 42)					(38.59)	(164.45)
Tax expenses					(209.60)	(189.98)
{net off MAT credit entitlement of ₹ 117.70 Crore (*Previous year* - ₹ *Nil*)}						
Profit after tax					**595.72**	**575.55**
OTHER INFORMATION						
Segment assets	10,535.11	10,608.78	296.73	283.31	10,831.84	10,892.09
Unallocated Corporate assets					2,554.69	1,907.87
Total assets					**13,386.53**	**12,799.96**
Segment liabilities	3,216.18	2,973.34	226.25	178.42	3,442.43	3,151.76
Unallocated Corporate liabilities					1,302.58	1,227.06
Total liabilities					4,745.01	4,378.82
Capital expenditure (including capital work-in-progress and capital advances)	495.64	1,122.77	11.17	14.70	506.81	1,137.47
Depreciation and Amortization	596.24	796.71	18.87	30.33	615.11	827.04
(Including exceptional item in previous year)						
Other non-cash expenses	6.37	38.69	13.71	10.01	20.08	48.70

32. OPERATING LEASE

		2016 ₹ Crore	2015 ₹ Crore
a)	Future minimum rental payables under non-cancellable operating lease		
(i)	Not later than one year	33.94	24.75
(ii)	Later than one year and not later than five years	70.04	94.09
(iii)	Later than five years	-	1.16

b) Operating lease payment recognised in Statement of Profit and Loss amounting to ₹ 167.23 Crore (*Previous Year - ₹ 174.11 Crore*)

c) General description of the leasing arrangement:

(i) Leased Assets: Grinding facility, Concrete pumps, Godowns, Transit Mixer, Flats, Office premises and other premises.

(ii) Future lease rentals are determined on the basis of agreed terms.

(iii) There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases.

(iv) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

33. RELATED PARTY DISCLOSURE

(A)	Names of the Related parties where control exists:	Nature of Relationship
1	LafargeHolcim Ltd	Ultimate Holding Company
2	Holderind Investments Ltd	Holding Company of Holcim (India) Private Limited (upto August 11, 2016) Holding Company of Ambuja Cements Limited (w.e.f. August 12, 2016)
3	Holcim (India) Private Limited (Refer Note - 40)	Holding Company (Upto August 11, 2016)
4	Ambuja Cements Limited (Refer Note - 40)	Fellow Subsidiary upto August 11, 2016 and Holding Company (w.e.f. August 12, 2016)
5	MP AMRL(Semaria) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
6	MP AMRL(Bicharpur) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
7	MP AMRL(Marki Barka) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
8	MP AMRL(Morga) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
9	OneIndia BSC Private Limited	Joint venture Company (w.e.f. August 13, 2015)

(B) Others - With whom transactions have been taken place during the year

(a)	Names of other Related parties	Nature of Relationship
1	Alcon Cement Company Private Limited	Associate Company
2	Asian Concretes and Cements Private Limited	Associate Company
3	Aakaash Manufacturing Company Private Limited	Associate Company
4	Lafarge India Private Limited	Fellow Subsidiary (w.e.f. July 10, 2015 and Upto October 4, 2016)
5	Holcim (Malaysia) SDN BHD	Fellow Subsidiary
6	Holcim Vietnam	Fellow Subsidiary
7	Holcim Technology (Singapore) Pte Ltd	Fellow Subsidiary
8	Siam City Cement (Lanka) Ltd {Formerly known as Holcim (Lanka) Ltd}	Fellow Subsidiary (Upto August 10, 2016)
9	PT Holcim Indonesia Tbk	Fellow Subsidiary
10	Holcim Services (South Asia) Limited	Fellow Subsidiary
11	Holcim Cement (Bangladesh) Ltd	Fellow Subsidiary
12	Holcim Philippines	Fellow Subsidiary
13	Holcim Group Services Ltd	Fellow Subsidiary
14	Holcim Technology Ltd	Fellow Subsidiary
15	Holcim Trading Pte Ltd	Fellow Subsidiary
16	Lafargeholcim Energy Solutions SAS	Fellow Subsidiary
17	Holcim (Liban) S.A.L.	Fellow Subsidiary
18	Dirk India Private Limited	Fellow Subsidiary (w.e.f. August 12, 2016)

(b)	Key Management Personnel:	
	Name of the Related Party	**Nature of Relationship**
1.	Mr. Harish Badami	CEO & Managing Director
2.	Mr. Sunil K. Nayak	Chief Financial Officer
3.	Mr. Burjor D. Nariman	Company Secretary

(C) Transactions with Associate Companies

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Purchase of Finished Goods**	**161.69**	**175.66**
	Alcon Cement Company Private Limited (Refer Note - 39)	69.33	81.62
	Aakaash Manufacturing Company Private Limited	92.36	94.04
(ii)	**Purchase of Raw Materials**	**31.11**	**29.82**
	Asian Concretes and Cements Private Limited	31.11	29.82
(iii)	**Sale of Unfinished Goods**	**23.17**	**30.13**
	Alcon Cement Company Private Limited (Refer Note - 39)	23.17	30.13

(C) Transactions with Associate Companies (contd.)

		2016 ₹ Crore	2015 ₹ Crore
(iv)	**Sale of Finished Goods**	**19.70**	**22.91**
	Aakaash Manufacturing Company Private Limited	19.70	22.91
(v)	**Dividend Received**	**7.64**	**2.04**
	Alcon Cement Company Private Limited	2.04	2.04
	Aakaash Manufacturing Company Private Limited	1.10	-
	Asian Concretes and Cements Private Limited	4.50	-
(vi)	**Reimbursement of Expenses Received/Receivable**	**12.68**	**10.48**
	Alcon Cement Company Private Limited	12.68	10.46
	Aakaash Manufacturing Company Private Limited	-	0.02
(vii)	**Reimbursement of Expenses Paid/Payable**	**5.47**	**-**
	Alcon Cement Company Private Limited	2.70	-
	Aakaash Manufacturing Company Private Limited	0.70	-
	Asian Concretes and Cements Private Limited	2.07	-
(viii)	**Rendering of Services**	**1.04**	**1.11**
	Alcon Cement Company Private Limited	1.04	1.11
(ix)	**Receiving of Services**	**50.36**	**60.16**
	Asian Concretes and Cements Private Limited	50.36	60.16
(x)	**Other recoveries (Net)**	**1.89**	**1.74**
	Aakaash Manufacturing Company Private Limited	1.89	1.74
(xi)	**Outstanding balance included in Trade receivables**	**9.49**	**13.99**
	Alcon Cement Company Private Limited	6.53	10.32
	Aakaash Manufacturing Company Private Limited	2.96	3.67
(xii)	**Outstanding balance included in Trade payables**	**37.94**	**27.54**
	Alcon Cement Company Private Limited	2.18	3.60
	Asian Concretes and Cements Private Limited	14.59	9.70
	Aakaash Manufacturing Company Private Limited	21.17	14.24

(D) Details of Transactions relating to Holding Companies / Ultimate Holding Company

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Dividend paid**	**160.64**	**283.28**
	Holcim (India) Private Limited	159.72	281.66
	Holderind Investments Limited	0.92	1.62
(ii)	**Purchase of Raw materials**	**0.55**	**3.25**
	Ambuja Cements Limited	0.55	3.25
(iii)	**Purchase of Finished / Unfinished goods**	**24.75**	**55.41**
	Ambuja Cements Limited	24.75	55.41
(iv)	**Purchase of Stores & Spare Parts**	**0.32**	**0.26**
	Ambuja Cements Limited	0.32	0.26
(v)	**Sale of Finished /Unfinished Goods**	**-**	**4.22**
	Ambuja Cements Limited	-	4.22
(vi)	**Sale of Stores & Spare Parts**	**-**	**0.56**
	Ambuja Cements Limited	-	0.56
(vii)	**Sale of Raw Material**	**0.72**	**-**
	Ambuja Cements Limited	0.72	-
(viii)	**Rendering of Services**	**44.15**	**38.19**
	Ambuja Cements Limited	44.15	38.19
(ix)	**Reimbursement of expenses paid / payable**	**5.54**	**2.04**
	Ambuja Cements Limited	5.54	2.04
(x)	**Reimbursement of expenses received / receivable**	**2.37**	**5.78**
	Ambuja Cements Limited	1.86	5.77
	LafargeHolcim Ltd	0.51	0.01
(xi)	**Receiving of Services**	**44.55**	**29.36**
	Ambuja Cements Limited	44.55	29.36
(xii)	**Outstanding balance included in Trade receivables**	**5.05**	**24.49**
	Ambuja Cement Limited	4.53	24.49
	LafargeHolcim Ltd	0.52	-
(xiii)	**Outstanding balance included in Short-term loans and advances**	**0.16**	**0.18**
	Ambuja Cement Limited	0.16	0.18
(xiv)	**Outstanding balance included in Trade payables**	**2.47**	**27.68**
	Ambuja Cement Limited	2.47	27.68

(E) Details of Transactions relating to Fellow Subsidiary Companies

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Purchase of Raw materials and Fuel**	**203.27**	**4.18**
	Holcim Trading Pte Ltd	-	4.18
	Lafargeholcim Energy Solutions SAS	203.09	-
	Others	0.18	-
(ii)	**Purchase of Finished /Unfinished goods**	**0.72**	**4.04**
	Lafarge India Private Limited	0.72	4.04
(iii)	**Sale of Finished /Unfinished Goods**	**0.06**	**4.70**
	Lafarge India Private Limited	0.06	4.70
(iv)	**Reimbursement of Expenses Paid / Payable**	**0.11**	**-**
	Holcim (Liban) S.A.L.	0.11	-
(v)	**Reimbursement of Expenses Received / Receivable**	**0.15**	**1.29**
	Siam City Cement (Lanka) Ltd	0.15	0.35
	Holcim Technology (Singapore) Pte Ltd	-	0.53
	Holcim Services (South Asia) Limited	-	0.21
	PT Holcim Indonesia Tbk	-	0.10
	Others	-	0.10
(vi)	**Receiving of Services**	**53.54**	**47.17**
	Holcim Group Services Ltd	3.00	2.19
	Holcim Services (South Asia) Limited	48.19	43.96
	Holcim Technology Ltd	2.35	1.02
(vii)	**Technology and Know-how fees**	**107.98**	**112.76**
	Holcim Technology Ltd	107.98	112.76
(viii)	**Outstanding balance included in Trade receivables**	**0.28**	**2.94**
	Siam City Cement (Lanka) Ltd	-	0.35
	PT Holcim Indonesia Tbk	0.15	0.15
	Holcim Services(South Asia) Limited	-	0.21
	Holcim Cement (Bangladesh) Ltd	0.11	0.16
	Holcim Philippines	0.02	0.02
	Lafarge India Private Limited	-	2.05
(ix)	**Outstanding balance included in Trade payables**	**117.32**	**35.14**
	Holcim Group Services Ltd	0.04	0.37
	Holcim Services (South Asia) Limited	12.85	7.26
	Holcim Technology Ltd	23.79	26.80
	Lafargeholcim Energy Solutions SAS	80.58	-
	Lafarge India Private Limited	-	0.71
	Others	0.06	-

(F) Details of Transactions with Key Management Personnel

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Remuneration***	**10.95**	**9.46**
	Mr. Harish Badami	7.32	5.70
	Mr. Sunil K. Nayak	2.46	2.51
	Mr. Burjor D. Nariman	1.17	1.25
(ii)	**Severance cost#**	**5.27**	**-**
	Mr. Harish Badami	5.27	-
(iii)	**Outstanding balance included in Other Current Liabilities**	**8.32**	**0.38**
	Mr. Harish Badami	8.32	0.38

*Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

#The Board of Directors at its Meeting held on December 16, 2016 has accepted the resignation of Mr. Harish Badami w.e.f. February 04, 2017. The Board has approved the severance payment of ₹ 5.27 Crore pursuant to the authority conferred on it by the Members of the Company.

(G) Details of Transactions with Joint Venture Companies*

		2016 ₹ Crore	2015 ₹ Crore
(i)	**Receiving of Services**	**24.66**	**-**
	OneIndia BSC Pvt Ltd.	24.66	-
(ii)	**Advances given**	**0.42**	**3.82**
	MP AMRL(Semaria) Coal Company Limited	0.04	0.02
	MP AMRL(Bicharpur) Coal Company Limited	0.36	3.75
	MP AMRL(Marki Barka) Coal Company Limited	0.01	0.04
	MP AMRL(Morga) Coal Company Limited	0.01	0.01
(iii)	**Interest on Inter Corporate Deposit / Other advances received**	**-**	**1.33**
	MP AMRL (Semaria) Coal Company Limited	-	0.03
	MP AMRL (Bicharpur) Coal Company Limited	-	1.10
	MP AMRL (Marki Barka) Coal Company Limited	-	0.20

(G) Details of Transactions with Joint Venture Companies* (contd.)

		2016 ₹ Crore	2015 ₹ Crore
(iv)	**Provision for doubtful Long-term loans and advances**	**37.78**	**-**
	MP AMRL(Semaria) Coal Company Limited	0.70	-
	MP AMRL(Bicharpur) Coal Company Limited	35.74	-
	MP AMRL(Marki Barka) Coal Company Limited	1.29	-
	MP AMRL(Morga) Coal Company Limited	0.05	-
(v)	**Repayment of Advances**	**10.32**	**-**
	MP AMRL(Bicharpur) Coal Company Limited	10.32	-
(vi)	**Outstanding balance in Long-term loans and advances**	**26.69**	**74.37**
	MP AMRL(Semaria) Coal Company Limited	1.43	2.09
	MP AMRL(Bicharpur) Coal Company Limited	15.90	61.60
	MP AMRL(Marki Barka) Coal Company Limited	9.36	10.64
	MP AMRL(Morga) Coal Company Limited	-	0.04
(vii)	**Outstanding balance included in Trade payables**	**4.97**	**-**
	OneIndia BSC Pvt Ltd.	4.97	-

*Transactions with Joint Ventures have been disclosed at full value. The intra-group balances and intra-group transactions have been eliminated to the extent of the Company's share in the entity.

34. CAPITAL AND OTHER COMMITMENTS

		2016 ₹ Crore	2015 ₹ Crore
A)	Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	142.63	293.31
B)	For commitments relating to lease arrangements {Refer note - 32 (a)}		

35. (A) CONTINGENT LIABILITIES NOT PROVIDED FOR -

		2016 ₹ Crore	2015 ₹ Crore
a)	Claims not acknowledged by the Company		
	Sales tax	25.16	28.16
	Customs demand	30.97	30.97
	Claim by Suppliers	36.79	36.79
	Claims for mining Lease rent	73.46	73.46
	Mines and Geology	19.87	19.87
	Others	51.32	34.49
	TOTAL	237.57	223.74

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities.

b)	Indemnity, Guarantee/s given to Banks/Financial Institutions, Government Bodies and others#	179.82	279.18

#includes proportionate share of guarantee amounting to ₹ Nil *(Previous Year – ₹ 0.45 Crore)* given by an associate company on behalf of other for the purpose of taking loan.

c) The Company had filed writ / appeal petitions against the orders / notices of various authorities demanding ₹ 114.45 Crore (*Previous Year – ₹ 114.24 Crore*) towards demand of additional Royalty on Limestone based on the ratio of 1.6 tonnes of Limestone to 1 tonne of Cement produced at its factories in Chattisgarh and on cement produced vis a vis consumption of limestone at its factory in Tamil Nadu. The Madhya Pradesh High Court had decided a similar matter in favour of the Company in an earlier year by directing the Authorities to only demand Royalty based on quantity of Limestone actually mined and recorded through statutory documentation, and not based on any ratio.

The Company holds the view that the payment of royalty on limestone is correctly made by the Company based on the actual quantity of limestone extracted, and feels that similar relief can also be expected from the Judiciary and / or Authorities in the cases of Chattisgarh & Tamil Nadu Units. In view of the demand being legally unjustifiable, and due to the decision of the Madhya Pradesh High Court, directly on this issue, the Company does not expect any liability in above matter .

d) i. In 2012, the Competition Commission of India ('CCI') issued an Order imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ₹ 1,147.59 Crore on the Company. On Company's appeal, Competition Appellate Tribunal ('COMPAT'), initially stayed the penalty, and by its final order dated 11th December, 2015, set aside the order of the CCI, remanding the matter back to the CCI for fresh adjudication and for passing a fresh order.

After hearing the matter, the CCI has, by its order dated 31st August 2016, imposed a penalty of ₹ 1,147.59 Crore on the Company. The Company has filed an appeal against the said Order with Competition Appellate Tribunal ('COMPAT'). Pending final disposal of the appeal, the COMPAT has stayed the penalty with a condition to deposit 10% of the penalty amount, which has been deposited and levy of interest of 12% p.a. in case the appeal is decided against the appellant. Interest amount on penalty as on December 31, 2016 is ₹ 45.90 Crore.

Based on the advice of external legal counsel, the Company believes it has good grounds for successful appeal. Accordingly, no provision is considered necessary.

ii. In a separate matter, pursuant to a reference filed by the Government of Haryana, The Competition Commission of India issued an Order dated January 19, 2017 imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ₹ 35.32 Crore on the Company. The Company is taking steps to file an appeal against the Order with the appropriate authority. Based on the advice of external legal counsel, the Company believes it has good grounds for a successful appeal. Accordingly, no provision is considered necessary.

35. (B) MATERIAL DEMANDS AND DISPUTES CONSIDERED AS "REMOTE" BY THE COMPANY

a) The Company had availed Sales Tax Incentives in respect of it's new 1 MTPA Plant at Gagal (Gagal II) under the HP State Industrial Policy, 1991. The Company had accrued Sales Tax Incentives aggregating ₹ 56 Crore. The Sales Tax Authorities had introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production (of Gagal I) prior to the commissioning of Gagal II. The Company contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP High Court and confirmed by the Supreme Court while determining the eligibility for Transport Subsidy. The Department had recovered ₹ 64 Crore (Tax of ₹ 56 Crore and interest of ₹ 8 Crore) and the same is accounted as an amount recoverable.

The HP High Court, had, in 2012, dismissed the Company's appeal. The Company believes the Hon'ble High Court's judgment is based on an erroneous understanding of certain facts and legal positions and that it also failed to consider certain key facts. The Company has been advised by legal experts that there is no change in the merits of the Company's case. Based on such advice, the Company filed a Special Leave Petition before the Hon'ble Supreme Court in, which is pending .

b) The Company was eligible for certain incentives (in the nature of One Time Lumpsum Capital Subsidy and refund of incremental VAT paid) in respect of its investment towards modernization and expansion of the Chaibasa Cement Unit pursuant to confirmation received under the State Industrial Policy of Jharkhand. Accordingly, the company has made claims for refund of VAT paid each financial year. However, no disbursals were made (except an amount of ₹ 7 Crore representing part of the One Time Lumpsum Capital Subsidy Claim of ₹ 15 Crore) as the authorities have raised various new conditions and restriction, that were extraneous to the approvals and confirmations expressly received by the Company. The Company had filed two writ petitions before the Jharkhand High Court against the restrictions and disputes on the extent of the eligible claims now being sought to be effected / raised by the Government.

The division bench of the Jharkhand High Court, while dealing with appeals by both the Company and the State of Government, against a single bench order only partially allowing the Companies claim, in it's order dated February 24, 2015, allowed the Company's Appeal in totality while dismissing the Government's Appeal, thereby confirming that the entire amount claimed by the Company is correct and hence payable immediately. Pursuant to this order, a cumulative amount of ₹ 235 Crore was standing accrued in the books upto December, 2015.

The Government of Jharkhand had filed an Special Leave Petition in the Supreme Court against the order of the division bench, which was admitted. In its interim order, the Supreme Court had, while not staying the division bench Order, had only stayed disbursement of 40% of the amount due.

The Company also pursued a contempt petition filed in the High Court of Jharkhand against non disbursal of amounts due by the Government. Consequently, as of date, the company received ₹ 64 Crore in part disbursement in the previous year from the Government of Jharkhand.

The Company is pursuing the matter of disbursement of further amounts outstanding.

The Company is of the view, and also has been advised, that the merits are strongly in its favour and it expects that the Special Leave Petition shall be rejected upholding the order of the Division bench of the Jharkhand HC by the Apex Court.

c) The Company had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co Ltd., in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. The Company had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co Ltd in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80IA of the Income Tax Act, 1961. The Income tax department has disputed the Company's claim of deduction under Section 80IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of ₹ 56.66 Crore (net of provision), the Company is in appeal before the ITAT and in case of Wadi TG 3 in respect of the demand of ₹ 115.62 Crore, which was set aside by the ITAT, the Department is in appeal against the decision in favour of the Company. The Company believes that the merits of the claims are strong and will be allowed.

d) One of the Company's Cement manufacturing plants located in Himachal Pradesh was eligible, under the State Industrial Policy for deferral of its sales tax liability arising on sale of cement manufactured in the said plant. The Excise and Taxation department of the Government of Himachal Pradesh, disputed the eligibility of the company to such deferment on the ground that the company also manufactures an intermediate product, viz. Clinker, arising in the manufacture of cement, and such intermediate product was is in the negative list. A demand of ₹ 82.37 Crore was raised. The Company filed a writ petition before High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process. The Company believes its case is strong and the demand shall not sustain under law.

e) The Company is eligible for incentives for one of its cement plants situated in Maharashtra, under a Package Scheme of Incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by the Company on extraction or procurement of various raw materials (Minerals). The Department of Industries has disputed the Company's claim for refund of royalty on an erroneous technical interpretation of the sanction letter issued to the Company, that only the higher of the amount of (i) VAT Refund and (ii) Royalty refund claim amounts, each year, shall be considered. The Company maintains that such annual restriction is not applicable as long as the cumulative limit of claim does not exceed the amount of eligible investment. The Company has accrued an amount of ₹ 133 Crore till December 31, 2016 (*Previous year - ₹ 106 Crore*) on this account. The Company has filed an appeal before the Bombay High Court challenging the stand of the Government, which is admitted & pending before the Court for hearing on merit. The Company believes that the merits of the claim are strong.

f) Consequent upon the Supreme Court's judgement in Goa Foundation case, restricting the "deemed renewal" provision of captive mining leases to the first renewal period, the Company had received demand from District Mining Officer for ₹ 881 Crore for being penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014. The aforesaid demands were challenged by the company and Writ Petition with High Court of Jharkhand was filed. The petition has been admitted subject to a token deposit of ₹ 48 Crore which shall be refundable in case the matter is decided in the Companies favour.

The Company is of the considered view based on legal advice, that this demand does not have merit, and shall not stand the test of judicial scrutiny, considering that the said mining, leases pending State Government's approval, have been automatically extended upto March 31, 2030 by Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 without any recourse being made available to the State Government.

36. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006*

		2016 ₹ Crore	2015 ₹ Crore
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due to micro and small enterprises (Not overdue)	7.54	4.12
	Interest due on above	-	-
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

37. ACC Mineral Resources Limited. (AMRL), a wholly-owned subsidiary of the Company, through its joint-venture had secured development and mining rights for four coal blocks allotted to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the order of the Supreme Court ruling that allocation of various coal blocks, including these, was arbitrary and illegal. The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, was completed, with the block being awarded to the successful bidder on March 23, 2015. Pursuant to a vesting order in this regard, possession of the coal mine was handed over to the successful bidder on April 06, 2015, with which the Company is in discussions for transfer of remaining assets. In respect of other three blocks, auctioning dates have not yet been announced.

38. PARTICULARS OF UN HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	2016			2015		
		Foreign currency in Crore	Exchange rate	₹ Crore	Foreign currency in Crore	Exchange rate	₹ Crore
Trade Payable and Other current liabilities	CHF	0.002	66.82	0.11	0.03	66.77	2.25
	USD	1.25	68.06	85.34	0.10	66.27	6.60
	GBP	0.002	84.03	0.18	0.006	98.11	0.61
	EUR	0.19	71.63	13.91	0.14	72.29	9.82

39. The Company has arrangements with an associate company whereby it sells clinker and purchase Cement manufactured out of such clinker. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under VAT laws, considering the accounting treatment prescribed under various accounting guidance, revenue for sale of such clinker of ₹ 20.35 Crore (*Previous year - ₹ 26.29 Crore*) has not been recognized as a part of the Turnover but has been adjusted against cost of purchase of cement so converted.

40. The Company was a subsidiary of Holcim (India) Private Limited. Pursuant to the amalgamation of Holcim (India) Private Limited into Ambuja Cements Limited, effective August 12, 2016, the Company has become a subsidiary of Ambuja Cements Limited.

41. CAPITALIZATION OF EXPENDITURE:

During the year, the company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	2016 ₹ Crore	2015 ₹ Crore
Opening balance	197.43	133.79
Expenditure during construction for projects:		
Employee benefits expense	25.26	30.10
Insurance	0.02	0.02
Rates and taxes	0.17	0.15
Depreciation	0.17	1.22
Miscellaneous expenses	13.75	41.00
TOTAL	236.80	206.28
Less : Capitalised during the year	218.24	8.85
Balance included in capital work-in-progress	18.56	197.43

42. a) Provision of ₹ 38.59 Crore *(Previous year - ₹ Nil)* made in respect of advances and other current assets relating to a subsidiary company considering inordinate delay in realising investments made in cancelled coal blocks.

b) Pursuant to provisions of Schedule II of the Companies Act, 2013, becoming applicable to the Company w.e.f. January 1, 2015, the Company reviewed and where necessary, revised estimates of useful lives of fixed assets. Accordingly, Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, an additional charge of ₹ 164.45 Crore, being the carrying amount as of January 1, 2015 of fixed assets with no remaining useful life (as revised) as of that date, was recognized in the Statement of Profit and Loss for the year ended December 31, 2015 and disclosed as an exceptional item.

43. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

The aggregate amount of expenditure incurred during the year on Corporate Social Responsibility and shown in the respective heads of account is as follows: Further, no amount has been spent on construction / acquisition of an asset of the Company.

	2016 ₹ Crore	2015 ₹ Crore
Employee benefits expense (Refer Note - 24)	-	2.80
Miscellaneous expenses (Refer Note - 28)	22.27	28.36
TOTAL	22.27	31.16

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year 2016 is ₹ 21.47 Crore (*Previous year - ₹ 27.90 Crore*) i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

44. Additional information as required by Paragraph 2 of the General Instructions for the Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities				Share in profit / (loss)			
	As % of consolidated net assets		Amount ₹ Crore		As % of consolidated profit or loss		Amount ₹ Crore	
	2016	2015	2016	2015	2016	2015	2016	2015
Parent								
ACC Limited	100.80	100.31	8,710.91	8,446.86	106.14	100.77	641.47	592.15
Subsidiaries								
Indian								
Bulk Cement Corporation (India) Limited	0.12	0.12	10.78	9.88	0.36	(0.95)	2.18	(5.58)
ACC Mineral Resources Limited	(0.43)	(0.04)	(37.51)	(3.46)	(6.54)	(0.01)	(39.50)	(0.04)
Lucky Minmat Limited	(0.41)	(0.37)	(35.74)	(31.49)	(0.70)	(0.67)	(4.25)	(3.95)
National Limestone Company Private Limited	(0.11)	(0.09)	(9.37)	(7.61)	(0.29)	(0.31)	(1.75)	(1.80)
Singhania Minerals Private Limited	(0.03)	(0.02)	(2.19)	(1.73)	(0.10)	(0.09)	(0.58)	(0.53)
Minority interest in subsidiary	(0.03)	(0.03)	(2.78)	(2.65)	(0.02)	0.05	(0.13)	0.28
Associates (Investment as per the equity method)								
Indian								
Alcon Cement Company Private Limited	(0.09)	(0.06)	(7.56)	(4.78)	(0.12)	0.29	(0.74)	1.68
Asian Concretes and Cements Private Limited	0.18	0.19	15.36	16.24	0.60	0.90	3.62	5.26
Aakaash Manufacturing Company Private Limited	0.07	0.05	5.77	4.38	0.41	0.24	2.49	1.42
Joint Ventures (as per proportionate consolidation)								
Indian								
OneIndia BSC Private Limited	(0.02)	-	(1.91)	(1.09)	0.27	(0.19)	1.66	(1.09)
MP AMRL(Bicharpur) Coal Company Limited	(0.04)	(0.03)	(3.09)	(2.42)	(0.01)	(0.03)	(0.07)	(0.19)
MP AMRL(Marki Barka) Coal Company Limited	(0.01)	(0.01)	(0.63)	(0.52)	-	-	-	(0.01)
MP AMRL(Morga) Coal Company Limited	-	-	(0.17)	(0.17)	-	-	-	-
MP AMRL(Semaria) Coal Company Limited	-	-	(0.35)	(0.30)	-	-	(0.02)	-
TOTAL	100.00	100.00	8,641.52	8,421.14	100.00	100.00	604.38	587.60

Note : The above figures are after eliminating intra group transactions and intra group balances as at December 31, 2016.

45. The aggregate amounts of assets, liabilities, income and expenses related to the Company's interest in the five joint ventures companies are as under:

The Company has the following investment, in a jointly controlled entities:

Name of the entity	Country of Incorporation	Percentage of ownership interest 2016	Percentage of ownership interest 2015
OneIndia BSC Private Limited	India	50	50
MP AMRL(Bicharpur) Coal Company Limited	India	49	49
MP AMRL(Morga) Coal Company Limited	India	49	49
MP AMRL (Marki Barka) Coal Company Limited	India	49	49
MP AMRL(Semaria) Coal Company Limited	India	49	49

₹ Crore

Particulars	2016							
	OneIndia BSC Pvt. Ltd.	MP AMRL (Bicharpur) Coal Company Ltd.	MP AMRL (Morga) Coal Company Ltd.	MP AMRL (Marki Barka) Coal Company Ltd.	MP AMRL (Semaria) Coal Company Ltd.	TOTAL	Elimination of intra group balances and transactions	Net
Assets								
Fixed Assets	0.46	1.21	0.34	3.53	1.19	**6.73**	-	6.73
Long term Loans and Advances	2.66	1.00	-	1.55		**5.21**	-	5.21
Deferred Tax Asset(Net)	0.05	-	-	-	-	**0.05**	-	0.05
Cash and Bank Balances	1.33	-	-	-	-	**1.33**	-	1.33
Trade Receivable	4.03	-	-	-	-	**4.03**	2.49	1.54
Short-term loans and advances	0.90	-	-	-	-	**0.90**	-	0.90
Other Current Assets	-	20.55	-	-	-	**20.55**	-	20.55
Liabilities								
Short-term borrowings	-	25.31	0.02	5.22	1.04	**31.59**	31.59	-
Long term provisions	0.02	-	-	-	-	**0.02**	-	0.02
Trade Payable	4.20	-	-	-	-	**4.20**	-	4.20
Other Current Liabilities	1.31	0.05	-	-	-	**1.36**	-	1.36
Short term provisions	0.82	-	-	-	-	**0.82**	-	0.82
Income	20.15	-	-	-	-	**20.15**	10.94	9.21
Expenses								
Employee benefits expenses	9.42	-	-	-	-	**9.42**	-	9.42
Depreciation and amortisation expense	0.05	-	-	-	-	**0.05**	-	0.05
Other expenses	8.36	0.07	-	-	0.02	**8.45**	-	8.45
Tax expenses	0.66	-	-	-	-	**0.66**		0.66
Contingent liabilities	-	-	-	-	-	**-**	-	-
Capital commitments	-	-	-	-	-	**-**	-	-

₹ Crore

Particulars	2015							
	OneIndia BSC Pvt. Ltd.	MP AMRL (Bicharpur) Coal Company Ltd.	MP AMRL (Morga) Coal Company Ltd.	MP AMRL (Marki Barka) Coal Company Ltd.	MP AMRL (Semaria) Coal Company Ltd.	TOTAL	Elimination of intra group balances and transactions	Net
Assets								
Fixed Assets	-	26.79	0.34	3.53	1.19	**31.85**	-	31.85
Long term Loans and Advances	1.04	1.00	-	1.55		**3.59**	-	3.59
Deferred Tax Asset(Net)	-	-	-	-	-	**0**	-	-
Cash and Bank Balances	0.84	-	-	-	-	**0.84**	-	0.84
Trade Receivable	-	-	-	-	-	**0**	-	-
Short-term loans and advances	0.24	-	-	-	-	**0.24**	-	0.24
Other Current Assets	-	0.02	-	-	-	**0.02**	-	0.02
Liabilities								
Short-term borrowings	-	30.19	0.02	5.22	1.02	**36.45**	36.45	-
Trade Payable	0.65	-	-	-	-	**0.65**	-	0.65
Other Current Liabilities	0.06	0.16	-	-	-	**0.22**	-	0.22
Income	-	-	-	-	-	**-**	-	-
Expenses								
Employee benefits expenses	0.39	-	-	-	-	**0.39**	-	0.39
Finance Cost	-	0.60	-	0.11	0.02	**0.73**	0.73	-
Other expenses	0.70	0.19	-	0.01	-	**0.90**	-	0.90
Tax expenses	-	-	-	-	-	**-**	-	-
Contingent liabilities	-	-	-	-	-	**-**	-	-
Capital commitments	-	-	-	-	-	**-**	-	-

Note:

During the Previous year, the Company subscribed 25,01,000 equity shares for a total consideration of ₹ 2.50 Crore in OneIndia BSC Private Limited, which is a jointly controlled entity with an equal equity participation with Ambuja Cements Limited, a holding Company, with aim to provide back office services with respect to routine processes.

46. PROPOSED DIVIDEND

The final dividend proposed for the year is as follows :

	2016 ₹ Crore	2015 ₹ Crore
On Equity Shares of ₹ 10 each		
Amount of dividend proposed (₹ Crore)	112.67	112.65
Dividend per Equity Share (₹)	6	6

47. In the previous year, the Company had received approval from the Company Law Board under Section 2(41) of the Companies Act, 2013 permitting the Company to continue having 1st January - 31st December as its Financial Year.

48. The Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) would be applicable to the Company from financial year commencing on 1st January, 2017. Accordingly, the financial statements have been prepared in compliance with Companies (Accounting Standards) Rules, 2006.

49. COMPARATIVE FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2017

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

N.S.SEKHSARIA
Chairman
DIN: 00276351

MARTIN KRIEGNER
Director
DIN:00077715

FARROKH K. KAVARANA
Director
DIN: 00027689

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUSHIL KUMAR ROONGTA
Director
DIN:00309302

VIJAY KUMAR SHARMA
Director
DIN: 02449088

NEERAJ AKHOURY
Director
DIN:07419090

ASHWIN DANI
Director
DIN: 00009126

FALGUNI NAYAR
Director
DIN: 00003633

STATEMENT CONTAINING EXTRACT OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

₹ Crore

Particulars	Balance sheet as at December 31.2016				
	Bulk Cement Corporation (India) Limited	Lucky Minmat Limited	National Limestone Company Private Limited	ACC Mineral Resources Limited*	Singhania Minerals Private Limited
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	33.64	3.25	2.00	121.95	0.52
Reserves and surplus	16.99	(3.81)	(1.13)	(40.05)	(0.21)
	50.63	(0.56)	0.87	81.90	0.31
Non-current liabilities					
Deferred tax liabilities (net)	1.26	-	-	-	-
	1.26	-	-	-	-
Current liabilities					
Short-term borrowing	-	-	0.53	-	0.03
Trade payables	6.85	-	0.11	-	0.22
Other current liabilities	5.32	1.21	0.31	4.23	-
Short-term provisions	-	-	-	0.07	-
	12.17	1.21	0.95	4.30	0.25
TOTAL	**64.06**	**0.65**	**1.82**	**86.20**	**0.56**
ASSETS					
Non-current assets					
Fixed assets	25.40	-	0.05	11.58	0.03
Long-term loans and advances	2.89	0.22	0.10	16.29	-
	28.29	0.22	0.15	27.87	0.03
Current assets					
Current investments	30.60	-	-	-	-
Inventories	0.52	-	0.36	-	-
Trade receivables	2.63	-	0.07	-	-
Cash and bank balance	0.33	0.43	0.11	0.10	0.51
Short-term loans and advances	1.65	-	1.13	51.99	0.02
Other current assets	0.04	-	-	6.24	-
	35.77	0.43	1.67	58.33	0.53
TOTAL	**64.06**	**0.65**	**1.82**	**86.20**	**0.56**

*As per Consolidated Financial Statements

STATEMENT CONTAINING EXTRACT OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

₹ Crore

Particulars	Balance sheet as at December 31.2015				
	Bulk Cement Corporation (India) Limited	Lucky Minmat Limited	National Limestone Company Private Limited	ACC Mineral Resources Limited*	Singhania Minerals Private Limited
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	33.64	3.25	2.00	121.95	0.02
Reserves and surplus	14.53	(3.06)	(0.95)	(4.43)	(0.12)
	48.17	0.19	1.05	117.52	(0.10)
Non-current liabilities					
Deferred tax liabilities (net)	1.26	-	-	-	-
	1.26	-	-	-	-
Current liabilities					
Short-term borrowing	-	-	0.33	-	0.03
Trade payables	4.98	-	0.07	-	0.09
Other current liabilities	5.46	0.76	0.30	4.36	-
Short-term provisions	-	-	0.01	-	0.01
	10.44	0.76	0.71	4.36	0.13
TOTAL	**59.87**	**0.95**	**1.76**	**121.88**	**0.03**
ASSETS					
Non-current assets					
Fixed assets	28.15	-	0.05	42.32	0.03
Non-current investments	-	-	-	-	-
Long-term loans and advances	1.10	0.31	0.10	40.83	-
	29.25	0.31	0.15	83.15	0.03
Current assets					
Current investments	26.30	-	-	-	-
Inventories	0.47	-	0.36	-	-
Trade receivables	1.75	-	0.07	-	-
Cash and bank balance	0.34	0.64	0.06	0.55	-
Short-term loans and advances	1.72	-	1.12	35.78	-
Other current assets	0.04	-	-	2.40	-
	30.62	0.64	1.61	38.73	-
TOTAL	**59.87**	**0.95**	**1.76**	**121.88**	**0.03**

*As per Consolidated Financial Statements

STATEMENT CONTAINING EXTRACT OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

₹ Crore

Particulars	Statement of Profit and Loss for the year ended December 31, 2016				
	Bulk Cement Corporation (India) Limited	Lucky Minmat Limited	National Limestone Company Private Limited	ACC Mineral Resources Limited*	Singhania Minerals Private Limited
Income from operations					
Net sales / income from operations (Net of excise duty)	18.55	-	-	-	-
Revenue from operations (net)	18.55	-	-	-	-
Other Income	2.13	0.02	0.01	4.00	-
Total Revenue	20.68	0.02	0.01	4.00	-
Expenses					
Employee benefits expense	2.12	-	-	-	-
Power and Fuel	2.81	-	-	-	-
Finance costs	-	-	0.05	-	0.02
Depreciation and amortization expense	3.90	-	-	0.12	-
Other expenses	7.95	0.50	0.14	0.15	0.08
Total expenses	16.78	0.50	0.19	0.27	0.10
Profit before exceptional item and tax	3.89	(0.48)	(0.18)	3.73	(0.10)
Exceptional item	-	-	-	38.59	-
Profit before tax	3.89	(0.48)	(0.18)	(34.86)	(0.10)
Tax expenses	1.44	0.27	-	0.76	-
Profit after Tax	2.45	(0.75)	(0.18)	(35.62)	(0.10)

	Statement of Profit and Loss for the year ended December 31, 2015				
Income from operations					
Net sales / income from operations (Net of excise duty)	19.12	-	0.02	-	-
Revenue from operations (net)	19.12	-	0.02	-	-
Other Income	1.73	0.03	-	3.43	-
Total Revenue	20.85	0.03	0.02	3.43	-
Expenses					
Employee benefits expense	1.90	-	-	-	-
Power and Fuel	2.62	-	-	-	-
Finance costs	-	-	0.03	-	0.01
Depreciation and amortization expense	4.50	-	-	0.15	-
Other expenses	8.79	0.48	0.21	0.34	0.03
Total expenses	17.81	0.48	0.24	0.49	0.04
Profit before exceptional item and tax	3.04	(0.45	(0.22)	2.94	(0.04)
Exceptional item	11.28	-	-	-	-
Profit before tax	(8.24)	(0.45)	(0.22)	2.94	(0.04)
Tax expenses	(2.93)	-	-	0.52	-
Profit after Tax	(5.31)	-0.45	(0.22)	2.42	(0.04)

*As per Consolidated Financial Statements

Directors' Report

To

The Members

OneIndia BSC Private Limited

Your Directors' are pleased to present the 2nd Directors' Report for the financial year ended December 31, 2016.

1. KEY FINANCIAL HIGHLIGHTS:

Particulars	**For the year ending Dec 31, 2016** ₹ **Lakhs**	For the period August 13, 2015 to December 31, 2015 ₹ Lakhs
Income	**4030.38**	NIL
Expenditure	**3595.52**	218.86
Profit/ (Loss) before Tax	**434.86**	(218.86)
Deferred Tax / Current Tax	**(45.93) / 142.36**	NIL
Net Profit/ Loss	**338.43**	(218.86)
EPS	**6.77**	4.38

During the year under review your Company has reported a profit of ₹ 338.43 Lakhs.

2. DIVIDEND:

The Directors do not recommend any dividend for the financial year ended December 31, 2016.

3. TRANSFER TO RESERVES:

The Company has not transferred any amount of its profits earned during the financial year to the General Reserve.

4. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments made between the end of the financial year of the Company and the date of this report which can affect the financial position of the Company.

5. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

With the kind of activities carried out by the Company, particulars relating to conservation of energy and technology absorption stipulated as per Section 134(m) of the Companies Act, 2013 are not applicable.

6. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There have been no foreign exchange earnings and outgo during the year.

7. CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business during the year under review.

8. ANNUAL RETURN:

Pursuant to sub-section 3(a) of the Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as on 31st December, 2016 is set out as Annexure 1 and forms part of this report.

9. DETAILS OF NEW SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

Sr. No.	Name of Company	Subsidiary / Joint Ventures / Associate Company	Date of becoming Subsidiary / Joint Ventures / Associate Company
1.	N.A.	N.A.	N.A.

10. DETAILS OF THE COMPANY WHO CEASED TO BE ITS SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES:

Sr. No.	Name of Company	Subsidiary / Joint Ventures/ Associate Company	Date of cession of Subsidiary / Joint Ventures/ Associate Company
1.	N.A.	N.A.	N.A.

11. DETAILS OF DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder in the current financial year ended December 31, 2016.

12. INTERNAL FINANCIAL CONTROL:

Internal financial controls maintained by the company are adequate considering the nature and size of the company's operation.

13. BOARD MEETINGS:

The Board of Directors (herein after called as "the Board") met six times during the Year review.

Sr. No.	Date of Meeting	Venue	Time	Directors Present
1.	January 22, 2016	Kymore Room, 3rd Floor, Cement House 121, Maharshi Karve Road, Mumbai– 400020	04:15 P.M.	• Mr. Sunil Nayak, • Mr. Ajay Kapur, • Mr. Harish Badami
2.	March, 16, 2016	Kymore Room, 3rd Floor, Cement House 121, Maharshi Karve Road, Mumbai – 400020	01:00 P.M.	• Mr. Sunil Nayak, • Mr. Ajay Kapur, • Mr. Harish Badami
3.	May 25, 2016	Kymore Room, 3rd Floor, Cement House 121, Maharshi Karve Road, Mumbai – 400020	02:00 P.M.	• Mr. Sunil Nayak, • Mr. Ajay Kapur, • Mr. Harish Badami
4.	July 21, 2016	Kymore Room, 3rd Floor, Cement House 121, Maharshi Karve Road, Mumbai – 400020	03:00 P.M.	• Mr. Sunil Nayak, • Mr. Ajay Kapur, • Mr. Harish Badami
5.	September 05, 2016	Kymore Room, 3rd Floor, Cement House 121, Maharshi Karve Road, Mumbai – 400020	03:00 P.M.	• Mr. Sunil Nayak, • Mr. Ajay Kapur, • Mr. Harish Badami
6.	November 29, 2016	Kymore Room, 3rd Floor, Cement House 121, Maharshi Karve Road, Mumbai – 400020	10:30 A.M.	• Mr. Sunil Nayak, • Suresh Joshi • Mr. Ajay Kapur, • Mr. Harish Badami • Mr. Martin Kreigner

14. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of the Director/Key Managerial Personnel	Particulars	Date of Appointment /Resignation
1.	Mr. Suresh Joshi	Appointment of Director	25th May 2016
2.	Mr. Martin Kreigner	Appointment of Additional Director	21st July 2016

15. RISK MANAGEMENT:

The Company is a captive Service Provider to its Joint Venture partners.

The Board of Directors of the Company have indentified key operational and technological risk which is in the opinion of the Board is critical to its Service delivery. Adequate action plan are formulated and are in place to diminish any possible adverse effect.

16. QUALIFICATION GIVEN BY THE AUDITORS:

There are no qualifications, reservation or adverse remarks or disclaimers made by the Statutory Auditors of the Company in their report.

17. LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

The Company has not provided loans and guarantees and not made any investments.

18. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

The Company, being a captive service provider to its joint venture partners has entered into related party transactions that are in the ordinary course and at arms-length basis.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The policy on Prevention of Sexual Harassment at Workplace aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

20. STATUTORY AUDITORS:

M/s. SRBC and Company, L.L.P, Chartered Accountants (Firm Registration No. 324982E/E300003), Statutory Auditors of your Company, retire at the ensuing Annual General Meeting.

M/s. SRBC and Company have expressed their inability to continue with the audit for the next year. In view of the above Company has received Auditor Certificates as per Section 139 of the Companies Act, 2013 from M/s. Deloitte Haskins and Sells LLP, Chartered Accountants (ICAI Firm Registration No. 117366W/W-100018) that they satisfy the Criteria mentioned in Section 141 of the Companies Act, 2013.

Further, Board of Directors of the Company in its Board Meeting has approved the appointment of M/s. Deloitte Haskins and Sells LLP, Chartered Accountants to hold the office for a period of Five years, commencing from the company's financial year 2017 subject to approval of Shareholders in ensuing Annual General Meeting of the Company.

21. EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

The Company has not issued any equity shares with deferential voting Rights.

22. EMPLOYEES' STOCK OPTION PLAN:

Your Company has not issued any ESOP during the year under review.

23. SWEAT EQUITY SHARES:

Your Company has not issued Sweat equity shares during the year.

24. SCHEME OF MERGER BETWEEN M/S. HOLCIM INDIA PRIVATE LIMITED AND M/S. AMBUJA CEMENTS LTD:-

In terms of Merger of M/s. Holcim India Private Limited into M/s. Ambuja Cements Ltd, Our Company turns out to be Ultimate Subsidiary Company of M/s. Ambuja Cements Ltd as M/s. Holcim India Private Limited was the Holding Company as per Section 2(46) of the Companies Act, 2013 of M/s. ACC Limited.

1. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that-

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

2. ACKNOWLEDGEMENT:

The Directors would like to place on record their appreciation for the dedicated efforts and services put in by the Management as well as the staff and employees for their excellent support provided during the year.

For and on behalf of the Board

FOR ONEINDIA BSC PRIVATE LIMITED

Sunil Kamalakar Nayak
Director
DIN: 00081466

Suresh Joshi
Director
DIN: 00770370

Place: Mumbai
Date: 01/02/2017

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended **December 31, 2016**

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

I. REGISTRATION AND OTHER DETAILS:

1.	**CIN**	U74900KA2015PTC082264
2.	**Registration Date**	13/08/2015
3.	**Name of the Company**	ONEINDIA BSC PRIVATE LIMITED
4.	**Category/Sub-Category of the Company**	Company Limited by Shares
5.	**Address of the Registered office and contact details**	No 003, 'A' Ground Floor, 'The Estate', No. 121, Dickenson Road, Bangalore - 560042 Tel: 080-30268952
6.	**Whether listed company (Yes/ No)**	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Other information service activities n.e.c	63999	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	**ACC Limited** Cement House, 121, Maharshi Karve Road, Mumbai - 400020	L26940MH1936PLC002515	Associate Company	50	2(6) of the Companies Act, 2013
2.	**Ambuja Cements Limited** P. O. Ambuja Nagar, Taluka Kodinar, Amreli, Dist. Junagadh Gujarat -362715 India	L26942GJ1981PLC004717	Ultimate Holding Company	50	2(87)(ii) of the Companies Act, 2013

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. Promotor									
1. Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	50,02,000	50,02,000	100%	NIL	50,02,000	50,02,000	100%	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	50,02,000	50,02,000	100%	NIL	50,02,000	50,02,000	100%	Nil
(2) **Foreign**									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-

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	
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)	**NIL**	**50,02,000**	**50,02,000**	**100%**	**NIL**	**50,02,000**	**50,02,000**	**100%**	**Nil**
B. **Public Shareholding**									
1. **Institutions**	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. **Non-Institutions**	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	--	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**NIL**	**50,02,000**	**50,02,000**	**100%**	**NIL**	**50,02,000**	**50,02,000**	**100%**	**Nil**

(ii) Shareholding of Promoters

Sr. 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	ACC Limited	2,501,000	50%	NIL	2,501,000	50%	NIL	Nil
2	Ambuja Cements Limited	25,01,000	50%	NIL	25,01,000	50%	NIL	Nil
	Total	**50,02,000**	**100%**		**50,02,000**	**100%**	**Nil**	**Nil**

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

Sr. No.		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.	ACC Limited				
	At the beginning of the year	25,01,000	50%	25,01,000	50%
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease e.g. allotment / transfer / bonus/ sweat equity etc):	No Change during the year			
	At the End of the year	25,01,000	50%	25,01,000	50%
2.	Ambuja Cements Limited				
	At the beginning of the year	25,01,000	50%	1,000	50%
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease e.g. allotment / transfer / bonus/ sweat equity etc):	No Change during the year			
	At the End of the year	25,01,000	50%	25,01,000	50%

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Total at the End of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
Addition	--	--	--	--
Reduction	--	--	--	
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.
2	Stock Option	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.
4	Commission	N.A.	N.A.
	- as % of profit	N.A.	N.A.
	- others, specify…	N.A.	N.A.
5	Others, please specify	N.A.	N.A.
	Total (A)	N.A.	N.A.
	Ceiling as per the Act	N.A.	N.A.

B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount (in ₹)
	1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	N.A.	N.A.
	Total (1)	N.A.	N.A.
	2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	N.A.	N.A.
	Total (2)	N.A.	N.A.
	Total (B)=(1+2)	N.A.	N.A.
	Total Managerial Remuneration	N.A.	N.A.
	Overall Ceiling as per the Act	N.A.	N.A.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961				
2.	Stock Option	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4.	Commission				
	- as % of profit				
	- Others, specify…	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board

Place: Mumbai
Date: 01/02/2017

Sunil Kamalakar Nayak
Director
DIN: 00081466

Suresh Joshi
Director
DIN: 00770370

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis**. N.A.**
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Details	Details	Details
1	Name(s) of the related party & nature of relationship	Ambuja Cement Ltd (Holding Company)	ACC Ltd (Associate Company)	Holcim Services South Asia Ltd (Company with Common Control)	Holcim Group Services Ltd. Company with Common Control)
2	Nature of contracts/ arrangements/ transaction	Revenue from Operation	Revenue from Operation	Hardware Usage, It Service and License Fees	Hardware Usage, It Service and License Fees
3	Duration of the contracts/arrangements/ transaction	On going	On going	On going	On going
4	Salient terms of the contracts or arrangements or transaction including the value, if any	_	_	_	_
5	Date of approval by the Board	_	_	_	_
6	Amount paid as advances, if any	No Advance paid	No Advance paid	No Advance paid	No Advance paid

For and on behalf of the Board

Place: Mumbai
Date: 01/02/2017

Sunil Kamalakar Nayak
Director
DIN: 00081466

Suresh Joshi
Director
DIN: 00770370

Independent Auditor's Report

To the Members of OneIndia BSC Private Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 of 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 the design, implementation and maintenance of adequate internal financial control 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 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, issued by the Institute of Chartered Accountants of India, as 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 December 31, 2016, its profit, and its cash flows for the year ended on that date.

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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
   - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   - (d) In our opinion, the aforesaid 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 written representations received from the directors as on December 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 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 of even date in Annexure 2 to this report;
   - (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 does not have any pending litigations which would impact its financial position;
     - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
     - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : February 1, 2017

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: OneIndia BSC Private Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3 (ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, wealth-tax, service tax, excise duty, cess and other material statutory dues applicable to it. The provisions relating to excise duty, customs duty, employees' state insurance and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, service tax, sales-tax, value added taxes, cess and other material statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given to us, the Company has not paid/provided managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company and hence not commented upon.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly, reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : February 1, 2017

Annexure 2 referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: OneIndia BSC Private Limited ('the Company')

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **OneIndia BSC Private Limited** ("the Company") as of December 31, 2016 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : February 1, 2017

Balance Sheet
As at 31st December, 2016

Particulars	Note No.	As at December 31, 2016 ₹ Lakhs	As at December 31, 2015 ₹ Lakhs
EQUITY AND LIABILITIES			
Shareholder's Fund			
Share Capital	3	**500.20**	500.20
Reserves and Surplus	4	**119.57**	(218.86)
		619.77	281.34
Non-Current Liabilities			
Long term provisions	5	**13.22**	-
Current Liabilities			
Trade Payables	6		
Due to Micro and Small Enterprises		**-**	-
Due to Others		**835.83**	130.79
Other Current Liabilities	7	**230.07**	11.45
Short term provisions	8	**28.54**	-
		1,094.44	142.24
TOTAL		**1,727.43**	423.58
ASSETS			
Non-current assets			
Fixed assets	9	**88.31**	-
Long-term loans and advances	10	**390.20**	207.73
Deferred Tax Asset (Net)	17	**45.93**	-
		524.44	207.73
Current assets			
Trade receivables	11	**805.04**	-
Cash and Bank balances	12	**265.42**	167.04
Short-term loans and advances	13	**132.53**	48.81
		1,202.99	215.85
TOTAL		**1,727.43**	423.58
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Vinayak Pujare**
Partner
Membership No. 101143

Place: Mumbai
Date:01/02/2017

For and on behalf of the Board of Directors of
OneIndia BSC Private Limited

Sunil Nayak
Director
DIN:00081466
Place: Mumbai
Date:01/02/2017

Suresh Joshi
Director
DIN:00770370
Place: Mumbai
Date:01/02/2017

Narendra Jawahrani
Chief Executive Officer

Place: Mumbai
Date:01/02/2017

Statement of Profit and Loss
for the year ended 31st December, 2016

Particulars	Note No.	For the year ended December 31, 2016 ₹ Lakhs	For the period August 13, 2015 to 31 December, 2015 ₹ Lakhs
Income			
Revenue from operation	14	**4,030.38**	-
Total Revenue (I)		**4,030.38**	-
Expenses			
Employee benefits expenses	15	**1,900.22**	78.46
Depreciation and amortisation expense	9	**12.68**	-
Other expenses	16	**1,682.62**	140.40
Total Expenses (II)		**3,595.52**	218.86
Profit before tax (I-II)		**434.86**	(218.86)
Tax expense:			
(I) Current tax expense		**142.36**	-
(II) Deferred tax (Credit)	17	**(45.93)**	-
Net Profit/ (Loss) for the year / period		**338.43**	(218.86)
Earnings per equity share			
Basic and Diluted earnings per share (₹)	18	**6.77**	(4.38)
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Vinayak Pujare**
Partner
Membership No. 101143

Place: Mumbai
Date:01/02/2017

For and on behalf of the Board of Directors of
OneIndia BSC Private Limited

Sunil Nayak
Director
DIN:00081466
Place: Mumbai
Date:01/02/2017

Suresh Joshi
Director
DIN:00770370
Place: Mumbai
Date:01/02/2017

Narendra Jawahrani
Chief Executive Officer

Place: Mumbai
Date:01/02/2017

Cash Flow Statement
for the year ended 31st December, 2016

		For the year ended December 31, 2016 ₹ Lakhs	For the period August 13, 2015 to 31 December, 2015 ₹ Lakhs
A.	**Cash flow from operating activities**		
	Profit/(Loss) before taxation	**434.86**	(218.86)
	Depreciation and amortisation expense	**12.68**	-
	Operating profit before working capital changes	**447.54**	(218.86)
	Movements in Working Capital		
	Decrease/(Increase) in loans and advances	**(83.72)**	(207.73)
	Decrease/(Increase) in trade receivables	**(805.04)**	(48.81)
	Decrease/(Increase) in other current assets	**-**	130.79
	(Decrease)/ Increase in trade payables	**705.04**	-
	(Decrease)/ Increase in provisions	**41.76**	-
	(Decrease)/ Increase in other current liabilities	**218.62**	11.45
	Cash generated from Operations	**76.66**	(114.30)
	Direct Taxes paid	**(324.83)**	-
	Net Cash flow from Operating activities	**199.37**	(333.16)
B.	**Cash flow from investing activities**		
	Purchase of fixed assets	**(100.99)**	-
	Net Cash used in Investing Activities	**(100.99)**	-
C.	**Cash flow from Financing activities**		
	Proceeds from issue of equity share capital	**-**	500.20
	Net Cash flow from Financing activities	**-**	500.20
	Net Increase in Cash and Cash equivalents	**98.38**	167.04
	Cash and cash equivalents at the beginning of the Year / Period	**167.04**	-
	Cash and cash equivalents at the end of the Year (Refer note 12)	**265.42**	167.04
	Net Increase in Cash and Cash equivalents	**98.38**	**-**

Summary of Significant Accounting Policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Vinayak Pujare**
Partner
Membership No. 101143

Place: Mumbai
Date:01/02/2017

For and on behalf of the Board of Directors of
OneIndia BSC Private Limited

Sunil Nayak
Director
DIN:00081466
Place: Mumbai
Date:01/02/2017

Suresh Joshi
Director
DIN:00770370
Place: Mumbai
Date:01/02/2017

Narendra Jawahrani
Chief Executive Officer

Place: Mumbai
Date:01/02/2017

Notes to Financial Statements

1. Company Information

OneIndia BSC Private Limited ("the Company") domiciled and headquartered in India. It was incorporated on 13th August, 2015, under the provisions of Companies Act, 2013. The Company is in the business of providing business shared services.

2. Significant Accounting Policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous period

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. 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 the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Leases (Where Company is a lessee)

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

d. Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from Services

Revenues from shared service level agreements are recognized over the period of the contract as and when services are rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

e. Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

f. Fixed Assets

i. Fixed Assets are stated at their original cost of acquisition (net of Cenvat credit wherever applicable), net of accumulated depreciation, amortisation and impairment losses.

ii. Advances given towards acquisition/construction of fixed assets outstanding at each Balance sheet date are disclosed as Capital Advances under "Long-term loans and advances".

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

g. Depreciation and Amortisation :

i. Tangible Assets :

I. Depreciation is provided as per the estimated useful life of the asset which are in line with lives prescribed in Schedule II of the Companies Act, 2013 based on "Straight Line Method". Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of acquisition.

II. Depreciation on assets sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

III. In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

ii. Intangible

1. Intangible assets are amortised over their estimated useful economic life.

h. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. A previously recognised impairment loss is increased or reversed depending on the changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

i. Retirement and other employee benefits

Defined Contribution Plan

State governed Provident Fund is considered as defined contribution plan and contributions thereto are charged to Statement of Profit and Loss for the year they are incurred. There are no other obligations, other than the contribution payable to the respective funds.

i. Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are recognised in the Statement of Profit and Loss in the year in which they arise.

ii. Short term employee Benefits

I. Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the Year in which the related service is rendered.

II. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

iii. Other long-term benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the Statement of Profit and Loss.

iv. Presentation and disclosure

For the purpose of presentation of Defined benefit plans and other long term benefits, the allocation between the short term and long term provisions has been made as determined by an actuary. The Company presents the entire compensated absences as short term provisions, since employee has an unconditional right to avail the leave at the time during the year.

v. Expenses incurred towards voluntary retirement scheme are charged to Statement of Profit and Loss as and when accrue.

j. Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Carrying amount of deferred tax assets are reviewed at each balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

k. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share attributable to the equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

l. Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past events 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

m. Classification of Current / Non-Current Assets and Liabilities

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 Revised Schedule III of the Companies Act, 2013. Based on the nature of services 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.

n. Cash & Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank, demand deposits with banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

o. Segment Information:

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 operates.

	As at Dec 31, 2016 ₹ Lakhs	As at Dec 31, 2015 ₹ Lakhs
Note 3- Share Capital		
Authorized Share Capital		
450,00,000 (31 December, 2015 : 450,00,000) Equity Shares of ₹10 each	**4,500.00**	4,500.00
	4,500.00	4,500.00
Issued, Subscribed and fully paid-up capital		
50,02,000 (31 December, 2015 : 50,02,000) Shares of ₹ 10 each fully paid up	**500.20**	500.20
Total	**500.20**	500.20

3.1- Reconciliation of shares outstanding at the beginning and at the end of the reporting year/period

	December 31, 2016		December 31, 2015	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
At the beginning of the year / period	5,002,000	500.20	-	-
Add :Issued during the period	-	-	5,002,000	500.20
Outstanding at the end of the year / period	5,002,000	500.20	5,002,000	500.20

3.2 - Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 - Details of Equity Shareholders holding more than 5% Equity shares in Company

	As at December 31, 2016		As at December 31, 2015	
	No. of Shares	%	No. of Shares	%
Equity shares of ₹ 10 each fully paid				
Ambuja Cements Limited (Holding Company)	2,501,000	50%	2,501,000	50%
ACC Limited (Subsidiary of Holding Company)	2,501,000	50%	2,501,000	50%
Total	**5,002,000**	**100%**	**5,002,000**	**100%**

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

	As at Dec 31, 2016 ₹ Lakhs	As at Dec 31, 2015 ₹ Lakhs
Note 4- Reserves and Surplus		
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	(218.86)	-
Profit / (loss) for the year/period	338.43	(218.86)
Net surplus/(deficit) in the Statement of Profit and Loss	119.57	(218.86)

	As at December 31, 2016 ₹ Lakhs	As at December 31, 2015 ₹ Lakhs
Note 5- Long term provisions		
Provision for gratuity (Note 20)	**13.22**	-
Total	**13.22**	**-**
Note 6- Trade Payable		
Trade Payable		
Due to Micro and Small Enterprises	**-**	-
Due to		
- related parties	**374.41**	-
- Others	**461.42**	**130.79**
Total	**835.83**	**130.79**
Note 7- Other Current Liabilities		
Statutory Dues payable	**55.28**	11.45
Salary and Bonus payable	**165.14**	-
Rent Equalisation	**9.65**	-
Total	**230.07**	**11.45**
Note 8- Short term provisions		
Provision for gratuity (Note 20)	**1.32**	-
Provision for leave benefits	**27.22**	-
Total	**28.54**	**-**

Note:9- Tangible Fixed assets ₹ Lakhs

	Computers	Office Equipment	Furniture and fixtures	Electrical installation	Total
Cost or valuation					
At 13 August 2015	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2015	-	-	-	-	-
Additions	**53.27**	**7.90**	**10.75**	**29.07**	**100.99**
Disposals	**-**	**-**	**-**	**-**	**-**
At 31 December 2016	**53.27**	**7.90**	**10.75**	**29.07**	**100.99**
Depreciation					
As At 13 August 2015					
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2015	-	-	-	-	-
Charge for the year	**7.62**	**1.10**	**0.63**	**3.33**	**12.68**
Disposals	**-**	**-**	**-**	**-**	**-**
At 31 December 2016	**7.62**	**1.10**	**0.63**	**3.33**	**12.68**
Net Block					
At 31 December 2015	-	-	-	-	-
At 31 December 2016	**45.65**	**6.80**	**10.12**	**25.74**	**88.31**

	As at December 31, 2016 ₹ Lakhs	As at December 31, 2015 ₹ Lakhs
Note 10- Long-term loans and advances		
Unsecured, considered good		
Security deposit	**207.73**	207.73
Advance income-tax (net of provision for taxation of ₹ 142.36 Lakhs (Previous Year - Nil))	**182.47**	-
Total	**390.20**	**207.73**
Note 11- Trade receivables		
Unsecured, considered good, otherwise stated		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	**-**	-
Others *	**805.04**	-
Total	**805.04**	**-**

*** Amount due from related parties**

	As at December 31, 2016 ₹ Lakhs	As at December 31, 2015 ₹ Lakhs
Note 12- Cash and bank balances		
Cash and cash equivalents		
Balances with bank :		
-On current account	**265.42**	167.04
Total	**265.42**	**167.04**
Note 13- Short-term loans and advances		
Unsecured, considered good		
Security deposit	**34.72**	**34.72**
Prepaid expenses	**39.51**	**12.08**
Advance to Vendors	**6.34**	-
Advance to employees	**40.23**	0.13
Service tax credit (net)	**11.73**	1.88
Total	**132.53**	**48.81**

	For the period ended December 31, 2016 ₹ Lakhs	For the period ended December 31, 2015 ₹ Lakhs
Note 14- Revenue from Operations		
Income from Services - Shared service activity	**4,030.38**	-
Total	**4,030.38**	**-**
Note 15- Employee benefits expense		
Salaries, wages and bonus	**1,768.04**	73.11
Contribution to Provident and other funds	**82.98**	3.43
Staff welfare expenses	**49.19**	1.92
Total	**1,900.22**	**78.46**
Note 16- Other Expenses		
Travelling Expenses	**170.62**	19.50
Legal, Professional & Consulting services (Note 16.1)	**833.63**	9.22
Rent	**472.41**	96.52
Telephone & Communication Expenses	**27.82**	5.80
Security expense	**14.32**	-
License cost	**112.89**	-
Office Supplies	**24.73**	-
Rates and Taxes	**-**	9.18
Miscellaneous Expenses	**26.20**	0.17
Total	**1,682.62**	**140.40**

	For the period ended December 31, 2016 ₹ Lakhs	For the period ended December 31, 2015 ₹ Lakhs
16.1 Legal and Professional fees include auditors fees as follows :		
As Auditor		
Audit fee	**5.00**	3.00
Tax audit fee	**1.00**	-
Total	**6.00**	**3.00**

₹ Lakhs

	As at December 31, 2016	As at December 31, 2015
Note 17-Deferred tax asset		
Deferred tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	4.60	-
Gross Deferred Tax Liability	**4.60**	**-**
Deferred Tax Asset		
Provision for employee benefits	13.81	-
Rent Straight lining- Impact of difference due to straightlining	3.19	-
Impact of expenditure charged to the statement of profit and loss in the current period but allowed for tax purposes on payment basis	33.53	-
Gross Deferred Tax Asset	**50.53**	**-**
Net Deferred Tax Asset	**45.93**	**-**

	For the period ended December 31, 2016 ₹ Lakhs	For the period ended December 31, 2015 ₹ Lakhs
Note 18- Earnings per share		
Profit / (Loss) after Tax (₹ Lakhs)	**338.43**	(218.86)
Weighted average number of equity shares	**5,002,000**	5,002,000
Nominal Value per share (in ₹)	**10**	10
Basic and Diluted earnings per share (in ₹)	**6.77**	**(4.38)**

Note 19- Operating Leases Disclosure

The Company has entered into a commercial lease agreement with Prestige Estates Properties Ltd with a lock in period of five years and escalation of 15% on the warm shell rent at the expiry of three years.

	December 31, 2016 ₹ Lakhs	December 31, 2015 ₹ Lakhs
Future Lease Rental payments for office premises		
(i) Not later than one year	**159.42**	-
(ii) Later than one year and not later than five years	**318.84**	-
(iii) Later than five years	**-**	-

Note 20

Post Employment benefit Plan-Gratuity

The Company has a defined plans, viz., gratuity for its employees and is unfunded. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the plan.

Post Employment benefit Plan-Gratuity *(Contd.)*

₹ Lakhs

	Gratuity	
	December 31, 2016	**December 31, 2015**
Expense recognized in the financial statement		
Current service cost	**17.10**	-
Interest cost on benefit obligation	**-**	-
Expected return on plan assets	**-**	-
Net actuarial(gain) / loss recognized in the year	**0.64**	**-**
Net benefit expense	**17.74**	**-**
Actual return on plan assets	**-**	**-**
Net Asset / (Liability) recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation	**14.54**	-
Fair value of plan asset	**-**	-
Net Liability recognised in the Balance Sheet	**14.54**	**-**
Change in Obligation during the Year		
Opening defined benefit obligation	**-**	-
Current Service cost	**17.10**	-
Interest cost	**-**	-
Benefits paid	**-**	-
Actuarial (gains) / losses on obligation	**(2.56)**	-
Closing defined benefit obligation	**14.54**	**-**
The principal actuarial assumptions used in determining gratuity obligations for the Company's plans are shown below:		
Discount rate	**6.60**	-
Salary escalation rate (p.a.)	**7%**	-
Mortality rate	**5%**	-
Turnover Rate	**20%**	**-**
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
Amounts for the current and previous year are as follows:		
Gratuity		
Defined benefit obligation	**14.54**	-
Plan assets	**-**	-
Surplus / (deficit)	**-**	**-**
Experience adjustments on plan liabilities	**-**	**-**
Experience adjustments on plan assets		**-**

Present value of compensated absences at the year end is ₹ 27.22 Lakhs (December 31, 2015: NIL)

Note 21- Related parties disclosure (As per Accounting Standard 18 specified under Section 133 of the Companies Act, 2013)

Name of Related Parties and related party relationship

Name of the related parties	**Relationship**
Ambuja Cement Limited	Holding Company
ACC Limited	Subsidiary of Holding Company
Holcim Services South Asia Ltd	Company under Common Control
Holcim Group Services Ltd	Company under Common Control

Nature of relationship	**Holding Company**	**Subsidiary of Holding Company**	**Company with Common Control**	**Company with Common Control**
Particulars	**Ambuja Cements Limited**	**ACC Limited**	**Holcim Services South Asia Limited**	**Holcim Group Services Ltd**
Trade receivables				
Closing balance as on December 31, 2016	295.09	509.95	-	-
Closing balance as on December 31, 2015	-	-	-	-
Trade payables (including accrued expenses)				
Closing balance as on December 31, 2016	-	-	583.97	4.59
Closing balance as on December 31, 2015	-	-	11.00	-
Revenue from Operations excluding Service Tax	1,842.56 (Nil)	2,187.82 (Nil)	- (Nil)	- (Nil)
Hardware usage	- (Nil)	- (Nil)	70.25 (11.00)	- (Nil)
IT service charges	- (Nil)	- (Nil)	541.62	- (Nil)
License Fees	- (Nil)	- (Nil)	139.32 (Nil)	8.70 (Nil)
Figures in bracket represent previous year amount				

Note 22

The Company is engaged in business of providing Shared Service operations. This, in the context of accounting standard 17 – 'Segmental Information' accounting standards notified under section 133 of the Companies Act, 2013, read together with Rule 7 of the companies (Accounts) Rules 2014 is considered to constitute one single business segment. There is only one single business and geographical segment.

Note 23

The contingent liability and other commitments of the Company for the year ended December 31, 2016 is NIL. (December 31, 2015: NIL)

Note 24

There are no Micro and Small Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes any dues. The Company has ascertained the status of entities being micro and small enterprises on the basis of information available with it. This has been relied upon by the auditors.

Note 25

The Company is in the process of identifying a suitable person as its Company Secretary and will comply with the applicable requirements.

Note 26

The Company was incorporated on August 13, 2015. The previous period is less than 12 months and not representative of the full scale of operations. Accordingly, previous period figures are not comparable to the current year. Previous period figures have been regrouped where necessary to conform to the current year's presentation.

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Vinayak Pujare**
Partner
Membership No. 101143

Place: Mumbai
Date:01/02/2017

For and on behalf of the Board of Directors of
OneIndia BSC Private Limited

Sunil Nayak
Director
DIN:00081466
Place: Mumbai
Date:01/02/2017

Suresh Joshi
Director
DIN:00770370
Place: Mumbai
Date:01/02/2017

Narendra Jawahrani
Chief Executive Officer

Place: Mumbai
Date:01/02/2017

DIRECTORS' REPORT

TO THE MEMBERS,

The directors have pleasure in presenting their Report and Audited Accounts of the Company for the year ended on 31st December, 2016.

1. FINANCIAL RESULTS

The Company has not commenced any business activities.

2. RESERVE AND SURPLUS

Since there is no profit, no amount is transferred to the General Reserve.

3. EVENT SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

4. DIVIDEND

During the year the Company has not earned any profits, so no dividend proposed for the year.

5. MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the year.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

CESSATION

Mr. Mayank Kachhwaha (DIN 01220690) Director decided to resign from the Company and accordingly resigned from the Board w.e.f 25th July 2016. The Board places on record its appreciation for the valuable services rendered by Mr. Mayank Kanchhwaha.

Mr. Rajiv Gandhi (DIN 01683596) Director decided to resign from the Company and accordingly resigned from the Board w.e.f 30th April 2016. The Board places on record its appreciation for the valuable services rendered by Mr. Rajiv Gandhi.

APPOINTMENT

MR. Suresh Chandra Joshi (DIN 00770370)

Mr. Suresh Joshi has been appointed as Additional Director under Section 161 of the Companies Act, 2013, w.e.f 25th April, 2016.

As Additional Director Mr. Suresh Joshi shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from the members along with the requisite deposit for proposing his appointment as Director of the Company. The Board of Directors recommends his appointment.

Mr. Sanjay Gupta (DIN 07451843)

Mr. Sanjay Gupta has been appointed as Additional Director under Section 161 of the Companies Act, 2013, w.e.f 25th April, 2016.

As Additional Director Mr. Sanjay Gupta shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from the members along with the requisite deposit for proposing his appointment as Director of the Company. The Board of Directors recommends his appointment.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152(6) and Articles of Association of the Company Mr. Vilas Deshmukh (DIN 06693563) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

7. DETAILS OF POLICY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Corporate Social Responsibility are not applicable to the Company.

8. RISK MANAGEMENT POLICY

The Company has not developed and implemented Risk Management Policy.

9. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

There are no Subsidiary, Joint Venture or Associate Company.

10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

11. CHANGES IN SHARE CAPITAL

The Company has not issued any equity shares during the year under review.

12. AUDITORS

M/s Suresh Pareek & Associates, Auditors of the Company will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

13. EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 Extract of Annual Return of the Company in form MGT 9 is annexed hereto as Annexure 1.

14. COMPANY'S AFFAIRS

The Company is in the process of setting up a Cement Plant.

15. PARTICULARS OF LOANS, GURANTEES OR INVESTMENTS UNDER SECTION 186:

During the year the Company has not given any loans, guarantees or incurred any Investments.

16. DEPOSITS

The Company has not invited any deposits from the public during the year.

17. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

No agreement was entered with related parties by the Company during the current year.

18. EMPLOYEES

The Company had no employees drawing salary in excess of the limits specified in Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Since the Company does not have any business operations, the policy on Sexual Harassment has not been implemented.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required to be given pursuant to Section 134 (3) (m) of the Companies Act, 2013 is not given as the same is not applicable.

21. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which are required to be transferred to Investor Education and Protection Fund.

22. DIRECTORS' RESPONSIBILITY STATEMENT

In conformity with the provisions under Section 134 which was introduced by the Companies Act, 2013 your directors confirm that:-

(a) In preparation of the Annual Accounts, the applicable accounting standards have been followed.

(b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimated that reasonable and prudent so as to give a true fair view of the state of affairs Company as on 31st December 2016.

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) The Directors have prepared the Annual Accounts on a going concern basis.

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. ACKNOWLEDGEMENTS

The directors place on record their sincere appreciation for the assistance and co-operation extended by Bank, its employes, its investors and all other associates and look forward to continue fruitful association with all business partners of the Company.

For and on behalf of the Board

Place: Mumbai

Date : 25/01/2017

Suresh Joshi
Director

Vilas Deshmukh
Director

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st December 2016

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

I. REGISTRATION AND OTHER DETAILS:

1.	**CIN**	U26943GJ1990PTC061530
2.	**Registration Date**	12th November 1990
3.	**Name of the Company**	MGT Cements Private Limited
4.	**Category/Sub-Category of the Company**	Private Company which is a subsidiary of Public Company
5.	**Whether listed Company (Yes/No)**	No
6.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	0/0 to total turnover of the Company.
1.	CEMENT	3242	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/Subsidiary of the Company	Applicable Section
1.	Ambuja Cements Limited	L26942GJ1981PLC004717	Holding	100%

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

A. Category-wise Share Holding.

Category of Shareholders	No. of Shares held at the beginning of the year As on 01.01.2016				No. of Shares held at the end of the year As on 31.12.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promotor									
1. Indian									
a. Individual/ HUF	0	0	10	0	0	10	10	0	0
b. Cent. Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	0	7,50,000	7,50,000	100%	0	7,50,000	7,50,000	100%	0
e. Bank/ FI	0	0	0	0	0	0	0	0	0
f. Any	0	0	0	0	0	0	0	0	0
g. Other									
Sub-Total- A-(1)	**0**	**7,50,000**	**7,50,000**	**100%**	**0**	**7,50,000**	**7,50,000**	**100%**	**0**
2. Foreign									
a. NRI-Ind/HUF	0	0	0	0	0	0	0	0	0
b. Other Ind.	0	0	0	0	0	0	0	0	0
c. Body Corp.	0	0	0	0	0	0	0	0	NIL
d. Bank/ FI	0	0	0	0	0	0	0	0	0
e. Any	0	0	0	0	0	0	0	0	0
Sub Total- A-(2)	0	0	0	0	0	0	0	0	NIL
Total SH of Promoter (1+2)	**0**	**7,50,000**	**7,50,000**	**100%**	**0**	**7,50,000**	**7,50,000**	**100%**	**NIL**

B. Public Shareholding NIL

C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**7,50,000**	**7,50,000**	**7,50,000**	**100%**	**7,50,000**	**7,50,000**	**7,50,000**	**100%**	**0**

Note: There is no change in the number of shares held by the promoter companies.

B. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.01.2016			Shareholding at the end of the year 31.12.2016			% 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	Ambuja Cements Limited	749990	99.99%	-	750000	100%	-	-
	Total	749990	99.99%	-	750000	100%	-	-

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

As shown above.

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promotors and Holders of GDRs and ADRs): NIL

E. Shareholding of Directors and Key Managerial Personnel: NIL

V. INDEBTEDNESS: NIL

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

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTNESS
Indebtedness at the beginning of the financial year	-	-	-	-
1) Principal Amount	-	-	-	-
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
+ Addition	-	-	-	-
- Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
1) Principal Amount	-	-	-	-
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - As % of Profit - Others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration of other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total B = (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- profit	-	-	-	
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Company	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give Details)
A. Company	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Independent Auditor's Report

To the Members of M.G.T. Cements Private Limited,

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **M.G.T. Cements Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st December, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that 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 of 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st December, 2016, and its profit/loss and its cash flows for the year ended on that date.

a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2016;

b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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 ad 4 of the order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
   a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid 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 written representations received from directors as on 31st December 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st December 2016, from being appointed as a director in terms of Section 164(2) of the Act, and
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to be best of our information and according to the explanations given to us :
      i. There is no pending litigations which would impact the financial position of the company.
      ii. The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
      iii. Investor Education and Protection Fund is not applicable to the company.

For SURESH PAREEK & ASSOCIATES
Firm Registration No. 007494C
Chartered Accountants

Suresh Pareek
Membership No. : 76526

Place : Nagaur
Date : 25th January, 2017

Annexure A referred to in paragraph 1 under the heading " Report on other Legal and Regulatory requirements" of our report of even date

1. In respect of fixed assets:
   a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
   c. According to the information and explanations given to us and on the basis of our examination of relevant records of the Company, we report that the title deeds of immovable properties are held in the name of Company.
2. The Company's business does not involve inventories; hence the requirements of maintenance of records, physical verification and discrepancy for the same are not applicable.
3. The company had not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
4. The company has not given any loans, guarantee and securities during the year; hence the provisions of Section 185 and 186 of the Companies Act, 2013, are not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
6. It is informed that the provisions of maintenance of Cost Records pursuant to the Companies (Cost Accounting Records) Rules 2011 as prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 are not applicable to the Company.
7. a. According to the information and explanations given to us and on the basis of our examination of the books of account, the undisputed statutory dues pertaining to Income Tax have been regularly deposited with the appropriate authorities. The laws relating to Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess are not applicable to the Company.
   b. According to the information and explanations given to us and on the basis of our examination of the books of account, there are no outstanding dues at the year end, for a period of more than six months from the date they became payable.
   c. According to the information and explanations given to us and on the basis of our examination of the books of account, there are no undisputed amounts in respect of Income Tax which have not been deposited with the appropriate authorities. The laws relating to Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess are not applicable to the Company.
8. Based on our audit procedures and as per the information and explanations given by the management, the company has not taken any term loan from financial institutions nor has it issued any debentures during the year under report.
9. According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debts instruments) and term loans during the year. Therefore provisions of clause (ix) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
10. According to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.
11. No managerial Remuneration has been paid or provided during the year. Therefore, provisions of Clause (xi) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
12. The company is not a Nidhi Company and therefore provisions of Clause (xii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
13. There were no Related Party Transactions and therefore provisions of Clause (xiii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore provisions of Clause (xiv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
15. As per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, provisions of Clause (xv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
16. As per the information and explanations given to us, the Company is not required to be registered under 45-IA of the Reserve Bank of India ACT, 1934 and therefore no registration was obtained.

For **SURESH PAREEK & ASSOCIATES**
Firm Registration No. : 007494C
Chartered Accountants

Suresh Pareek
Membership No. : 76526

Place: Nagaur
Date : 25th January, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M.G.T. CEMENTS PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M.G.T. Cements Private Limited** ("the Company") as of December 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 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 **SURESH PAREEK & ASSOCIATES**
Firm Registration No. : 007494C
Chartered Accountants

Suresh Pareek
Membership No. : 76526

Place: Nagaur
Date : 25th January, 2017

Balance Sheet
As at 31st December, 2016

	Note	As at 31.12.2016 ₹	As at 31.12.2015 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	**7,500,000**	7,500,000
Reserves and surplus	3	**(7,422,869)**	(7,357,095)
		77,131	142,905
Current Liabilities			
Trade payables	4	**8,049**	8,049
		8,049	8,049
Total		**85,180**	150,954
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	5	**-**	-
		-	-
Current Assets			
Cash and bank balances	6	**85,180**	143,954
Short-term loans and advances		**Nil**	7,000
		85,180	150,954
Total		**85,180**	150,954
Significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For **Suresh Pareek & Associates**
Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek
Membership No. : 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN: 00770370

Place : Mumbai
Date : 25th January, 2017

Statement of Profit and Loss
For the year ended 31st December, 2016

	Note	2016 ₹	2015 ₹
Income			
Revenue from operation		-	-
Other income		-	-
Total Revenue		-	-
Expenses			
Depreciation	7	-	148,606
Other expenses	8	**65,773**	35,292
Total Expenses		**65,773**	183,898
Loss for the year		**(65,773)**	(183,898)
Earnings per equity share of ₹10 each	9		
Basic		**(0.09)**	(0.25)
Diluted		**(0.09)**	(0.25)
Significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For **Suresh Pareek & Associates**
Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek
Membership No. : 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN: 00770370

Place : Mumbai
Date : 25th January, 2017

Cash Flow Statement
For the year ended 31st December, 2016

		2016 ₹	2015 ₹
A)	**Cash flows from operating activities**		
	Loss before tax	**(65,773)**	(183,898)
	Adjustment for :		
	Depreciation	**-**	148,606
	Operating loss before working capital changes	**(65,773)**	(35,292)
	Adjustment for :		
	Loans & advances and other current assets	**6,999**	(7,000)
		6,999	(7,000)
	Net cash used in operating activities	**(58,774)**	(42,292)
	Net decrease in cash & cash equivalents	**(58,774)**	(42,292)
	Cash and cash equivalents at the beginning of the year	**143,954**	186,246
	Cash and cash equivalents at the end of the year	**85,180**	143,954
		(58,774)	(42,292)
	Components of cash and cash equivalents :		
	Cash on hand	**1,233**	1,233
	With banks - in current accounts	**83,947**	142,721
	Cash and cash equivalents at the year end	**85,180**	143,954

Notes :

1) Figures in brackets represent outflow.

Significant accounting policies - Note 1

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For **Suresh Pareek & Associates**
Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek
Membership No. : 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN: 00770370

Place : Mumbai
Date : 25th January, 2017

Notes to Financial Statements

1 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of Financial Statements :

i The financial statements have been prepared in compliance with all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014.

ii Financial statements are based on historical cost and are prepared on accrual basis.

iii The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

b) Revenue Recognition :

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.

c) Fixed Assets and Depreciation :

The fixed assets have been shown at cost less depreciation provided as on date. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Cost also includes financing costs relating to specific borrowing(s) attributable to the acquisition or construction of fixed assets. Depreciation on assets is provided at the rates and in the manner prescribed specified in Schedule II of the Companies Act, 2013.

d) Taxation :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

e) Provisions and Contingencies :

A provision is recognised for a present obligation as a result of past events if it is probable that an outlow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. A contingent liability is disclosed, unless the possibility of an outflow is remote.

f) Cash and Bank Balances :

i. Cash and Bank balances in the Balance Sheet comprise cash at bank including fixed deposits, cheques in hand and cash in hand.

ii. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand and short term investments with an original maturity of three months or less.

g) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
2 Share capital		
Authorised		
1,000,000 (previous year - 1,000,000) Equity Shares of ₹ 10 each	**10,000,000**	10,000,000
	10,000,000	10,000,000
Issued, subscribed and fully paid up		
750,000 (previous year - 750,000) Equity Shares of ₹ 10 each fully paid up	**7,500,000**	7,500,000
	7,500,000	7,500,000
	7,500,000	7,500,000

a) Terms / Rights attached to equity shares

i. The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

ii. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of equity shares held by shareholders holding more than 5% shares in the Company

Particular	As at 31.12.2016		As at 31.12.2015	
	No. of shares	% holding	No. of shares	% holding
Ambuja Cements Limited, the holding company	**750,000**	**100%**	750,000	100%

c) Reconciliation of equity shares outstanding

Particular	As at 31.12.2016		As at 31.12.2015	
	No. of shares	₹	No. of shares	₹
At the beginning of the year	**750,000**	7,500,000	750,000	7,500,000
At the end of the year	**750,000**	7,500,000	750,000	7,500,000

d) Shares held by holding Company, ultimate holding company and their subsidiaries

Particular	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Ambuja Cements Limited, the holding company 750,000 (previous year - 750,000) equity shares of ₹ 10 each fully paid up	**7,500,000**	7,500,000

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
3 Reserves and surplus		
Share premium	**9,299,690**	9,299,690
Deficit in the Statement of Profit & Loss		
Balance as per last financial statements	**(16,656,786)**	(16,472,887)
Add : Loss for the year	**(65,773)**	(183,898)
Closing balance	**(16,722,559)**	(16,656,785)
Total	**(7,422,869)**	(7,357,095)

		As at 31.12.2016 ₹	As at 31.12.2015 ₹
4	**Trade payables**		
	Other than Micro, Small and Medium Enterprises	**8,049**	8,049
	Total	**8,049**	8,049

5 **Tangible assets**

	Buildings ₹	Total ₹
Gross carrying value at cost		
Opening as on 1st January, 2015	4,794,086	4,794,086
As at 31st December, 2015	**4,794,086**	**4,794,086**
Additions	-	-
As at 31st December, 2016	**4,794,086**	**4,794,086**
Depreciation / amortisation		
Opening as on 1st January, 2015	4,645,480	4,645,480
Charge for the year	148,606	148,606
As at 31st December, 2015	4,794,086	4,794,086
Charge for the year	**-**	**-**
As at 31st December, 2016	**4,794,086**	**4,794,086**
Net carrying value		
As at 31st December, 2015	-	-
As at 31st December, 2016	**-**	**-**

		As at 31.12.2016 ₹	As at 31.12.2015 ₹
6	**Cash and bank balances**		
	Balances with banks		
	- In current account	**83,947**	142,721
	Cash on hand	**1,233**	1,233
	Total	**85,180**	143,954

		2016 ₹	2015 ₹
7	**Depreciation**		
	Depreciation on tangible Assets	**-**	148,606
	Total	**-**	148,606
8	**Other Expenses**		
	Miscellaneous expenses*	**65,773**	35,292
	Total	**65,773**	35,292

* Miscellaneous expenses include payment to auditors (excluding service tax)

	Statutory auditor		
	as auditor	**7,500**	7,500
	Total	**7,500**	7,500

9 Earnings per equity share (EPS) :

In accordance with Accounting Standard 20- Earning per Share, the computation of earning per share is set out below :

Particular	2016	2015
Weighted average number of Equity Shares of ₹ 10 each		
i) Number of shares at the beginning of the year	**750,000**	750,000
ii) Number of shares at the end of the year	**750,000**	750,000
iii) Weighted average number of shares outstanding during the year	**750,000**	750,000
Net Loss after tax available for equity shareholders. (₹)	**(65,773)**	(183,898)
Basic / Diluted Earning per share (₹)	**(0.09)**	(0.25)

Note: The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

10 Related party disclosure :

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are details of transactions during the year with the related parties of the Company as defined in AS 18:

a) Names of related parties where control exists :

Party	Nature of Relationship
LafargeHolcim Ltd. (Formerly known as Holcim Ltd.), Switzerland	Ultimate Holding company
Ambuja Cements Limited, India	Holding Company

b) Details of related parties transactions :

There are no transactions entered into by the company during the year (previous year - NIL) with the related parties as mentioned in (a) above

Note : Related Parties are as disclosed by the Management and relied upon by the auditors.

11 Taxation:

Current Tax

In absence of taxable income as per the provisions of the Income Tax Act, 1961 in the current year, provision for current tax has not been made.

Deferred Taxes

There are no items attributable to the timing difference between taxable income and accounting income hence no deferred tax liabilities (assets) have been recognized during the year.

12 Figures of previous year have been re-grouped / rearranged wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 12

As per our attached report of even date

For **Suresh Pareek & Associates**
Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek
Membership No. : 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN: 00770370

Place : Mumbai
Date : 25th January, 2017

DIRECTORS' REPORT

TO THE MEMBERS,

The directors have pleasure in presenting their Report and Audited Accounts of the Company for the year ended on 31st December, 2016.

1. FINANCIAL RESULTS

The Company has not commenced any business activities.

2. RESERVE AND SURPLUS

Since there is no profit, no amount is transferred to the General Reserve.

3. EVENT SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

4. DIVIDEND

During the year the Company has not earned any profits, so no dividend proposed for the year.

5. MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the year.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

CESSATION

Mr. Mayank Kachhwaha (DIN 01220690) Director decided to resign from the Company and accordingly resigned from the Board w.e.f 25th July 2016. The Board places on record its appreciation for the valuable services rendered by Mr. Mayank Kanchhwaha.

Mr. Rajiv Gandhi (DIN 01683596) Director decided to resign from the Company and accordingly resigned from the Board w.e.f 30th April 2016. The Board places on record its appreciation for the valuable services rendered by Mr. Rajiv Gandhi.

APPOINTMENT

MR. Suresh Chandra Joshi (DIN 00770370)

Mr. Suresh Joshi has been appointed as Additional Director under Section 161 of the Companies Act, 2013, w.e.f 25th April, 2016.

As Additional Director Mr. Suresh Joshi shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from the members along with the requisite deposit for proposing his appointment as Director of the Company. The Board of Directors recommends his appointment.

Mr. Sanjay Gupta (DIN 07451843)

Mr. Sanjay Gupta has been appointed as Additional Director under Section 161 of the Companies Act, 2013, w.e.f 25th April, 2016.

As Additional Director Mr. Sanjay Gupta shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from the members along with the requisite deposit for proposing his appointment as Director of the Company. The Board of Directors recommends his appointment.

APPOINTMENT OF WHOLE TIME COMPANY SECRETARY

In terms of the provisions of Section 203 the Company is required to have a whole time Company Secretary. The Company has not commenced its business operations and does not have any income. Company has thus appointed a whole time Secretary.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152(6) and Articles of Association of the Company Mr. Vilas Deshmukh (DIN 06693563) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

7. DETAILS OF POLICY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Corporate Social Responsibility are not applicable to the Company.

8. RISK MANAGEMENT POLICY

The Company has not developed and implemented Risk Management Policy.

9. SUBSIDIARY, JOINTVENTURE AND ASSOCIATE COMPANY

There are no Subsidiary, Joint Venture or Associate Company.

10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

11. CHANGES IN SHARE CAPITAL

The Company has not issued any equity shares during the year under review.

12. AUDITORS

M/s Suresh Pareek & Associates, Auditors of the Company will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

13. EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 Extract of Annual Return of the Company in form MGT 9 is annexed hereto as Annexure 1.

14. COMPANY'S AFFAIRS

The Company is in the process of setting up a Cement Plant.

15. PARTICULARS OF LOANS, GURANTEES OR INVESTMENTS UNDER SECTION 186:

During the year the Company has not given any loans, guarantees or incurred any Investments.

16. DEPOSITS

The Company has not accepted any public deposits during the year.

17. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

No agreement was entered with related parties by the Company during the current year.

18. EMPLOYEES

The Company had no employees drawing salary in excess of the limits specified in Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Since the Company does not have any business operations, the policy on Sexual Harassment has not been implemented.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required to be given pursuant to Section 134 (3) (m) of the Companies Act, 2013 is not given as the same is not applicable.

21. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which are required to be transferred to Investor Education and Protection Fund.

22. DIRECTORS' RESPONSIBILITY STATEMENT

In conformity with the provisions under Section 134 which was introduced by the Companies Act, 2013 your directors confirm that:-

(a) In preparation of the Annual Accounts, the applicable accounting standards have been followed.

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimated that reasonable and prudent so as to give a true fair view of the state of affairs Company as on 31st December 2016.

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) The Directors have prepared the Annual Accounts on a going concern basis.

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. ACKNOWLEDGEMENTS

The directors place on record their sincere appreciation for the assistance and co-operation extended by Bank, its employes, its investors and all other associates and look forward to continue fruitful association with all business partners of the Company.

For and on behalf of the Board

Place: Mumbai	**Suresh Joshi**	**Vilas Deshmukh**
Date : 25/01/2017	Director	Director

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st December 2016

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

I. REGISTRATION AND OTHER DETAILS:

1.	**CIN**	U14107GJ2007PTC002240
2.	**Registration Date**	27th February 2007
3.	**Name of the Company**	Chemical Limes Mundwa Private Limited
4.	**Category/Sub-Category of the Company**	Private Company which is a subsidiary of Public Company
5.	**Whether listed Company (Yes/No)**	No
6.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	0/0 to total turnover of the Company.
1.	CEMENT	3242	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN/GIN	Holding/Subsidiary of the Company	Applicable Section
1.	Ambuja Cements Limited	L26942GJ1981PLC004717	Holding	100%

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

A. Category-wise Share Holding.

Category of Shareholders	No. of Shares held at the beginning of the year As on 01.01.2016				No. of Shares held at the end of the year As on 31.12.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promotor									
1. Indian									
a. Individual/ HUF	0	10	10	.01%	0	10	10	0	0
b. Cent. Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	0	5139990	5139990	100%	0	5139990	5139990	100%	0
e. Bank/ FI	0	0	0	0	0	0	0	0	0
f. Any	0	0	0	0	0	0	0	0	0
g. Other									
Sub-Total- A-(1)	**0**	**5140000**	**5140000**	**100%**	**0**	**5140000**	**5140000**	**100%**	**0**
2. Foreign									
a. NRI-Ind/HUF	0	0	0	0	0	0	0	0	0
b. Other Ind.	0	0	0	0	0	0	0	0	0
c. Body Corp.	0	0	0	0	0	0	0	0	NIL
d. Bank/ FI	0	0	0	0	0	0	0	0	0
e. Any	0	0	0	0	0	0	0	0	0
Sub Total- A (2)	0	0	0	0	0	0	0	0	NIL
Total SH of Promoter (1+2)	**0**	**5140000**	**5140000**	**100%**	**0**	**750,000**	**7,50,000**	**100%**	**NIL**

B. Public Shareholding NIL

C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**5140000**	**5140000**	**100%**	**-**	**5140000**	**5140000**	**100%**	**0.01%**

Note: There is no change in the number of shares held by the promoter companies.

B. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.01.2016			Shareholding at the end of the year 31.12.2016			% 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	Ambuja Cements Limited	5139990	99.99%	-	5140000	100%	-	0.01%
	Total	5139990	99.99%	-	5140000	100%	-	0.01%

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

As shown above.

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

E. Shareholding of Directors and Key Managerial Personnel: NIL

V. INDEBTEDNESS: NIL

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

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTNESS
Indebtedness at the beginning of the financial year	-	-	-	-
1) Principal Amount	-	-	-	-
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
+ Addition	-	-	-	-
- Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
1) Principal Amount	-	-	-	-
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - As % of Profit - Others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration of other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total B = (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- profit	-	-	-	
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Company	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give Details)
A. Company	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Independent Auditor's Report

To the Members of Chemical Limes Mundwa Private Limited,

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that 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 of 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st December, 2016, and its profit/loss and its cash flows for the year ended on that date.

a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2016;

b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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 ad 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
   a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid 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 written representations received from directors as on 31st December 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st December 2016, from being appointed as a director in terms of Section 164(2) of the Act; and
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to be best of our information and according to the explanations given to us :
      i. The details of pending litigations which would impact the financial position of the company are listed in Point No 7 of Annexure pertaining to CARO 2016 and Note 16 to financial statements.
      ii. The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
      iii. Investor Education and Protection Fund is not applicable to the company.

For **SURESH PAREEK & ASSOCIATES**
Firm Registration No. : 007494C
Chartered Accountants

Suresh Pareek
Membership No. : 76526

Place: Nagaur
Date : 25th January, 2017

Annexure A referred to in paragraph 1 under the heading " Report on other Legal and Regulatory requirements" of our report of even date

1. In respect of fixed assets:
   a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
   c. According to the information and explanations given to us and on the basis of our examination of relevant records of the Company, we report that the title deeds of immovable properties are held in the name of Company.
2. The Company's business does not involve inventories; hence the requirements of maintenance of records, physical verification and discrepancy for the same are not applicable.
3. The company had not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
4. The company has not given any loans, guarantee and securities during the year; hence the provisions of Section 185 and 186 of the Companies Act, 2013, are not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
6. It is informed that the provisions of maintenance of Cost Records pursuant to the Companies (Cost Accounting Records) Rules 2011 as prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 are not applicable to the Company.
7. a. According to the information and explanations given to us and on the basis of our examination of the books of account, the undisputed statutory dues pertaining to Income Tax have been regularly deposited with the appropriate authorities. The laws relating to Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess are not applicable to the Company.
   b. According to the information and explanations given to us and on the basis of our examination of the books of account, there are no outstanding dues at the year end, for a period of more than six months from the date they became payable.
   c. According to the information and explanations given to us and on the basis of our examination of the books of account, there are no undisputed amounts in respect of Income Tax which have not been deposited with the appropriate authorities. The laws relating to Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess are not applicable to the Company.
8. Based on our audit procedures and as per the information and explanations given by the management, the company has not taken any term loan from financial institutions nor has it issued any debentures during the year under report.
9. According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debts instruments) and term loans during the year. Therefore provisions of clause (ix) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
10. According to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.
11. No managerial Remuneration has been paid or provided during the year. Therefore, provisions of Clause (xi) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
12. The company is not a Nidhi Company and therefore provisions of Clause (xii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
13. According to the information and explanations given to us and on the basis of our examination of relevant records of the Company, we report that all transactions with related parties are in compliance with section 177 and 188 of the Act, and details have been disclosed in the financial statements etc., as required by the applicable accounting standard.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore provisions of Clause (xiv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
15. As per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, provisions of Clause (xv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
16. As per the information and explanations given to us, the Company is not required to be registered under 45-IA of the Reserve Bank of India ACT, 1934 and therefore no registration was obtained.

For **SURESH PAREEK & ASSOCIATES**
Firm Registration No. : 007494C
Chartered Accountants

Suresh Pareek
Membership No. : 76526

Place: Nagaur
Date : 25th January, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CHEMICAL LIMES MUNDWA PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Chemical Limes Mundwa Private Limited ("the Company") as of December 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 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 **SURESH PAREEK & ASSOCIATES**
Firm Registration No. : 007494C
Chartered Accountants

Suresh Pareek
Membership No. : 76526

Place: Nagaur
Date : 25th January, 2017

Balance Sheet
As at 31st December, 2016

	Note	As at 31.12.2016 ₹	As at 31.12.2015 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	**51,400,000**	51,400,000
Reserves and surplus	3	**(41,753,285)**	(39,740,179)
		9,646,715	11,659,821
Current Liabilities			
Short term borrowings	4	**7,500,000**	5,000,000
Trade payables	5	**7,500**	7,500
Other current liabilities	6	**2,193,985**	4,385,141
		9,701,485	9,392,641
TOTAL		**19,348,200**	21,052,462
ASSETS			
Non current assets			
Fixed assets	7		
Tangible assets		**16,826,248**	17,288,992
Long-term loans and advances	8	**246,000**	246,000
Other non-current assets	9	**986,245**	890,120
		18,058,493	18,425,112
Current Assets			
Cash and bank balances	10	**1,284,207**	2,367,802
Short-term loans and advances	11	**5,500**	259,548
		1,289,707	2,627,350
TOTAL		**19,348,200**	21,052,462
Significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For **Suresh Pareek & Associates**

Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek

Membership No. 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN : 00770370

Place : Mumbai
Date : 25th January, 2017

Statement of Profit and Loss
For the year ended 31st December, 2016

	Note	2016 ₹	2015 ₹
Income			
Revenue from operations		**-**	-
Other income	12	**111,974**	-
Total Revenue		**111,974**	-
Expenses			
Finance costs	13	**826,715**	363,288
Depreciation	14	**462,744**	232,179
Other expenses	15	**835,621**	746,877
Total Expenses		**2,125,080**	1,342,344
Profit / (Loss) for the year		**(2,013,106)**	(1,342,344)
Earnings per equity share of ₹10 each	16		
Basic		**(0.39)**	(0.26)
Diluted		**(0.39)**	(0.26)
Significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For **Suresh Pareek & Associates**

Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek

Membership No. 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN : 00770370

Place : Mumbai
Date : 25th January, 2017

Cash Flow Statement
For the year ended 31st December, 2016

		2016 ₹	2015 ₹
A)	**Cash flows from operating activities**		
	Profit / (Loss) before tax	**(2,013,106)**	(1,342,344)
	Adjustmnet for :		
	Interest income	**(111,974)**	-
	Finance costs	**826,715**	363,288
	Depreciation and amortisation	**462,744**	232,179
		1,177,485	595,467
	Operating loss before working capital changes	**(835,621)**	(746,877)
	Adjustment for :		
	Loans & advances and other current assets	**177,056**	(897,121)
	Trade payables and other current liabilities	**(2,500,000)**	2,500,000
		(2,322,944)	1,602,879
	Cash generated from operations	**(3,158,565)**	856,002
	Direct taxes paid	**76,993**	-
	Net cash flow from / (used i) operating activities (A)	**(3,081,572)**	856,002
B)	**Cash flows investing activities**		
	Purchase of Fixed assets	**-**	(17,500,000)
	Interest received on Fixed Deposits with banks	**10,682**	-
	Interest on Income tax refund	**5,166**	-
	Net Cash flow from / (used in) investing activities (B)	**15,848**	(17,500,000)
C)	**Cash Flow from Financing Activities**		
	Proceed from Ambuja Cements Ltd (ICD)	**2,500,000**	5,000,000
	Interest paid	**(517,871)**	-
	Net Cash flow from / (used in) Financing activities (C)	**1,982,129**	5,000,000
	Net increase / (decrease) in cash & cash equivalents (A+B+C)	**(1,083,595)**	(11,643,998)
	Cash and cash equivalents at the beginning of the year	**2,367,802**	14,011,800
	Cash and cash equivalents at the end of the year	**1,284,207**	2,367,802
		(1,083,595)	(11,643,998)
	Components of cash and cash equivalents :		
	Cash on hand	**4,192**	4,192
	With banks - in current accounts	**1,280,015**	2,363,610
	Cash and cash equivalents at the the year end	**1,284,207**	2,367,802

Notes :

1) Figures in brackets represent outflow.

Significant accounting policies - Note 1

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For **Suresh Pareek & Associates**

Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek

Membership No. 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN: 00770370

Place : Mumbai
Date : 25th January, 2017

Notes to Financial Statements

1 Significant Accounting Policies:

a) Basis of Preparation of Financial Statements :

i The financial statements have been prepared in compliance with all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014.

ii Financial statements are based on historical cost and are prepared on accrual basis.

iii The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

b) Revenue Recognition :

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.

c) Fixed Assets and Depreciation :

The fixed assets have been shown at cost less depreciation provided as on date. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Cost also includes financing costs relating to specific borrowing(s) attributable to the acquisition or construction of fixed assets. Depreciation on assets is provided at the rates and in the manner prescribed specified in Schedule II of the Companies Act, 2013.

d) Taxation :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

e) Provisions and Contingencies :

A provision is recognised for a present obligation as a result of past events if it is probable that an outlow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. A contingent liability is disclosed, unless the possibility of an outflow is remote.

f) Cash and Bank Balances :

i. Cash and Bank balances in the Balance Sheet comprise cash at bank including fixed deposits, cheques in hand and cash in hand.

ii. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

g) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
2 Share capital		
Authorised		
5,200,000 (previous year - 5,200,000) Equity Shares of ₹ 10 each	**52,000,000**	52,000,000
	52,000,000	52,000,000
Issued, subscribed and fully paid up		
5,140,000 (previous year - 5,140,000) Equity Shares of ₹ 10 each fully paid up	**51,400,000**	51,400,000
	51,400,000	51,400,000
	51,400,000	51,400,000

a) Terms / Rights attached to equity shares

i. The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

ii. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of equity shares held by shareholders holding more than 5% shares in the Company

Particulars	As at 31.12.2016		As at 31.12.2015	
	No. of shares	% holding	No. of shares	% holding
Ambuja Cements Limited, the holding company	**5,140,000**	**100%**	5,140,000	100%

c) Reconciliation of equity shares outstanding

Particulars	As at 31.12.2016		As at 31.12.2015	
	No. of shares	₹	No. of shares	₹
At the beginning of the year	**5,140,000**	51,400,000	5,140,000	51,400,000
At the end of the year	**5,140,000**	51,400,000	5,140,000	51,400,000

d) Shares held by holding Company, ultimate holding company and their subsidiaries

Particulars	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Ambuja Cements Limited, the holding company 5,140,000 (previous year - 5,140,000) equity shares of ₹ 10 each fully paid up	**51,400,000**	51,400,000

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
3 Reserves and surplus		
Share premium	**12,350,000**	12,350,000
Deficit in the Statement of Profit & Loss		
Balance as per last financial statements	**(52,090,179)**	(50,747,835)
Add : Loss for the year	**(2,013,106)**	(1,342,344)
Closing balance	**(54,103,285)**	(52,090,179)
Total	**(41,753,285)**	(39,740,179)
4 Short term borrowings		
Inter corporate Deposit from Ambuja Cements Ltd.	**7,500,000**	5,000,000
Total	**7,500,000**	5,000,000

		As at 31.12.2016 ₹	As at 31.12.2015 ₹
5	**Trade payables**		
	Audit fees payable	**7,500**	7,500
	Total	**7,500**	7,500
6	**Other current liabilities**		
	Mayank Singh kachava	**1,500,000**	4,000,000
	Interest accrued but not due on ICD	**672,132**	363,288
	Provision for lease Rent	**21,853**	21,853
	Total	**2,193,985**	4,385,141

7 Tangible assets

	Freehold Land ₹	Buildings ₹	Total ₹
Gross carrying value at cost			
Opening as on 1st January, 2015	20,364	16,166	36,530
Additions	12,300,000	5,200,000	17,500,000
As at 31st December, 2015	12,320,364	5,216,166	17,536,530
Additions	-	-	-
As at 31st December, 2016	**12,320,364**	**5,216,166**	**17,536,530**
Depreciation			
Opening as on 1st January, 2015	-	15,359	15,359
Charge for the year	**101,370**	**130,809**	**232,179**
As at 31st December, 2015	101,370	146,168	247,538
Charge for the year	202,740	260,004	462,744
As at 31st December, 2016	**304,110**	**406,172**	**710,282**
Net carrying value			
As at 31st December, 2015	12,218,994	5,069,998	17,288,992
As at 31st December, 2016	**12,016,254**	**4,809,994**	**16,826,248**

		As at 31.12.2016 ₹	As at 31.12.2015 ₹
8	**Long-term loans and advances**		
	Mining security deposit	**246,000**	246,000
	Total	**246,000**	246,000
9	**Other non-current Assets**		
	Deposit with Original maturity of more than 12 months	**890,120**	890,120
	Interest Accrued but not due on FDR	**96,125**	-
	Total	**986,245**	890,120
10	**Cash and bank balances**		
	Balances with banks		
	- In current account	**1,280,015**	2,363,610
	Cash on hand	**4,192**	4,192
	Total	**1,284,207**	2,367,802
	Other Bank Balances		
	Fixed Deposits with Banks,given as security against Bank gaurentees and others		
	With original maturity of more than 12 months	**890,120**	890,120
	Less: Amount disclose under other non current asset (Refer Sch-9)	**(890,120)**	(890,120)
		-	-
	Total	**1,284,207**	2,367,802

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
11 Short-term loans and advances		
Prepaid expenses	-	170,056
TDS & TCS receivable	**5,500**	82,492
Advance for Expense	-	7,000
Total	**5,500**	259,548

	2016 ₹	2015 ₹
12 Other Income		
Interest on bank fixed deposits	**111,974**	-
Total	**111,974**	-
13 Finance costs		
Interest on ICD	**821,312**	363,288
Interest -others	**5,403**	-
Total	**826,715**	363,288
14 Depreciation		
Depreciation on tangible Assets	**462,744**	232,179
Total	**462,744**	232,179
15 Other expenses		
Lease dead rent	**723,660**	702,077
Legal and professional charges	**49,280**	32,166
Miscellaneous expenses *	**62,681**	12,634
Total	**835,621**	746,877
* Miscellaneous expenses include payment to auditors (excluding service tax)		
Statutory auditor		
as auditor	**7,500**	7,500
Total	**7,500**	7,500
16 Contingent liabilities (to the extent not provided for)		
Matters for which the company is contingently liable		
Disputed Land tax demand	**33,980,800**	33,980,800

17 Earnings per equity share (EPS) :

In accordance with Accounting Standard 20- Earning per Share, the computation of earning per share is set out below :

Particular	2016	2015
Weighted average number of Equity Shares of ₹ 10 each		
i.) Number of shares at the beginning of the year	**5,140,000**	5,140,000
ii.) Number of shares at the end of the year	**5,140,000**	5,140,000
iii.) Weighted average number of shares outstanding during the year	**5,140,000**	5,140,000
Net Loss after tax available for equity shareholders. (₹)	**(2,013,106)**	(1,342,344)
Basic / Diluted Earning per share (₹)	**(0.39)**	(0.26)

Note: The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

18 Related party disclosure :

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are details of transactions during the year with the related parties of the Company as defined in AS 18:

a) Names of related parties where control exists :

Party	Nature of Relationship
LafargeHolcim Ltd.(Formerly known as Holcim Ltd.), Switzerland	Ultimate Holding company
Ambuja Cements Limited, India	Holding Company

b) Details of related parties transactions :

Transactions	Holding Company - Ambuja Cements Ltd. 2016 ₹	2015 ₹
Loans Received	**2,500,000**	5,000,000
Interest paid	**821,312**	363,288
Amount outstanding as on Balance Sheet date	**8,172,132**	5,363,288

19 Taxation:

Current Tax

In absence of taxable income as per the provisions of the Income Tax Act, 1961 in the current year, provision for current tax has not been made.

Deferred Taxes

There are no items attributable to the timing difference between taxable income and accounting income, hence no deferred tax liabilities (assets) have been recognized during the year.

20 Figures of previous year have been re-grouped / rearranged wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 20

As per our attached report of even date

For **Suresh Pareek & Associates**

Chartered Accountants
ICAI Firm Reg. No. : 007494C

Suresh Pareek

Membership No. 76526

Place : Nagaur
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Director
DIN : 06693563

Suresh Chandra Joshi
Director
DIN: 00770370

Place : Mumbai
Date : 25th January, 2017

Independent Auditor's Report

To the Members of Dirk India Private Limited

Report on the Financial Statements

I have audited the accompanying financial statements of **Dirk India Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st December, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

These financial statements have been prepared solely to enable Ambuja Cements Limited to prepare its group financial statements..

Management's Responsibility for the Financial Statements

The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that 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 of 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

My responsibility is to express an opinion on these financial statements based on my audit. I 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.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid 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 :

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2016;

(b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, I report that :

a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;

b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In my opinion, the aforesaid 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 written representations received from the directors as on 31st December, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st December, 2016, from being appointed as a director in terms of section 164(2) of the Act; and

f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to my separate report annexed hereto.

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 my opinion and to be best of my information and according to the explanations given to me:

   i. The company has given the details of pending litigation in its financial statements – Refer Note 27 to the financial statements;

   II. The company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;

   III. Investor Education and Protection Fund is not applicable to the company.

Anand S. Daga
Chartered Accountant
Proprietor
ICAI Membership No: 048684

Place : Nashik
Date : 25th January, 2017

Annexure to Auditors' Report

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DIRK INDIA PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of Dirk India Private Limited ("the Company") as of December 31, 2016 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In my 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 December 31, 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.

Anand S. Daga
Chartered Accountant
Proprietor
ICAI Membership No: 048684

Place : Nashik
Date : 25th January, 2017

Balance Sheet
As at 31st December, 2016

	Note	₹	As at 31.12.2016 ₹	As at 31.12.2015 ₹
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	2	**20,753,830**		20,753,830
Reserves and surplus	3	**(306,041,350)**		(310,089,009)
			(285,287,520)	(289,335,179)
Non-current liabilities				
Long-term borrowings	4	**120,554,183**		101,950,940
Long-term provisions	5	**7,872,215**		7,134,082
			128,426,398	109,085,022
Current liabilities				
Trade payables	6	**45,644,259**		42,851,800
Other current liabilities	7	**396,605,173**		415,416,760
Short-term provisions	5	**339,635**		1,355,238
			442,589,067	459,623,798
TOTAL			**285,727,945**	279,373,641
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	8	**112,417,261**		133,382,962
Intangible assets	8	**669,920**		1,123,477
Capital work in progress		**10,440,807**		16,235,390
			123,527,988	150,741,829
Long-term loans and advances	9	**32,415,249**		17,377,337
Other non-current assets	10	**3,288,214**		2,698,746
			35,703,463	20,076,083
Current assets				
Inventories	11	**13,401,203**		10,644,041
Trade receivables	12	**69,596,708**		72,373,926
Cash and bank balances	13	**14,148,031**		16,603,602
Short-term loans and advances	9	**29,097,130**		8,418,806
Other current assets	14	**253,422**		515,354
			126,496,494	108,555,729
TOTAL			**285,727,945**	279,373,641
Significant accounting policies	1(B)			

The accompanying notes are integral part of these financial statements.

As per our attached report of even date

Anand Daga
Chartered Accountant
Proprietor
Membership No. : 048684

Place : Nashik
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Chairman
DIN : 06693563

Suresh Joshi
Director
DIN : 00770370

Place : Mumbai
Date : 25th January, 2017

Statement of Profit and Loss
for the year ended 31st December, 2016

	Note		2016	2015
		₹	₹	₹
Revenue				
Sale of products (gross)		**109,716,527**		73,250,052
Less : Excise duty		**5,755,527**		3,625,093
Sale of products (net)			**103,961,000**	69,624,959
Other operating revenues	15		**165,343,395**	204,236,882
Revenue from operation (net)			**269,304,395**	273,861,841
Other income	16		**927,881**	359,811
Total revenue			**270,232,276**	274,221,652
Expenses				
Cost of raw materials consumed	17		**66,763,959**	65,204,051
Changes in inventories of finished goods, work-in-progress	18		**301,398**	(408,163)
Employee benefits expense	19		**34,607,969**	34,510,304
Power & fuel			**23,930,672**	26,052,802
Freight and forwarding Expenses	20		**28,909,696**	20,386,531
Finance costs	21		**51,223,505**	52,974,285
Depreciation and amortization expense (Refer note no. 36)	22		**27,210,041**	29,623,917
Other expenses	23		**52,719,188**	58,384,293
Total expenses			**285,666,428**	286,728,020
Profit / (Loss) before tax			**(15,434,152)**	(12,506,368)
Tax expense :				
Relating to earlier years :				
Current tax		**-**		-
MAT Credit entitlement		**(19,481,811)**		-
			(19,481,811)	-
Profit / (Loss) for the year			**4,047,659**	(12,506,368)
Earnings per equity share of ₹ 10 each	24			
Basic			**1.95**	(6.03)
Diluted			**1.95**	(6.03)
Significant accounting policies	1(B)			

The accompanying notes are integral part of these financial statements.

As per our attached report of even date

Anand Daga
Chartered Accountant
Proprietor
Membership No. : 048684

Place : Nashik
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Chairman
DIN : 06693563

Suresh Joshi
Director
DIN : 00770370

Place : Mumbai
Date : 25th January, 2017

Cash Flow Statement
for the year ended 31st December, 2016

	₹	2016 ₹	2015 ₹
Cash flow from operating activities			
Loss before Tax		**(15,434,152)**	(12,506,368)
Adjustments for :			
Depreciation and amortisation expense (Refer note 36)	27,210,041		29,623,917
Profit on sale of fixed assets	-		(106,877)
Finance costs	51,223,505		52,974,285
Interest income	(927,881)		(252,934)
Provision for slow and non moving spares	(555,434)		429,205
Provision for doubtful debts and advances (net)	(41,090)		(439,205)
Operating profit before working capital changes		**76,909,141**	82,228,391
		61,474,989	69,722,023
Adjustment for :			
Trade receivables, loans & advances and other assets	(10,959,491)		(36,659,677)
Inventories	(2,201,728)		(2,926,475)
Trade payables, other liabilities and provisions	2,299,642		2,009,343
		(10,861,577)	(37,576,809)
Cash generated from operations		**50,613,412**	32,145,214
Direct tax paid		**(2,456,626)**	(2,622,149)
Net cash flow from operating activities (A)		**48,156,786**	29,523,065
Cash flow from investing activities			
Purchase of fixed assets, including capital work in progress and capital advances	(41,200)		(970,066)
Proceeds from sale of fixed assets	45,000		218,867
Investments in bank deposits (having original maturity of more than three months)	(2,889,468)		-
Interest received	1,189,813		11,820
Net cash flow used in investing activities (B)		**(1,695,855)**	(739,379)
Cash flow from financing activities			
Repayment of long-term borrowings	-		(6,317,013)
Interest paid	(51,216,502)		(6,989,844)
Subsidy received	-		(1,500,000)
Net cash flow used in financing activities (C)		**(51,216,502)**	(14,806,857)
Net increase in cash & cash equivalent (A+B+C)		**(4,755,571)**	13,976,829
Cash and cash equivalents at the end of the year		**11,848,031**	16,603,602
Cash and cash equivalents at the beginning of the year		**16,603,602**	2,626,773
		(4,755,571)	13,976,829
Components of cash and cash equivalents			
Cash on hand		**4,165**	55,624
With banks			
In current account		**11,843,866**	16,547,978
Fixed deposit held as security		**2,300,000**	-
Cash and bank balance as per note 13		**14,148,031**	16,603,602
Less : Fixed deposits not considered as cash and cash equivalents		**(2,300,000)**	-
Cash and cash equivalents at the year end		**11,848,031**	16,603,602

Significant accounting policies - Note 1(B)

The accompanying notes are integral part of these financial statements.

As per our attached report of even date

Anand Daga
Chartered Accountant
Proprietor
Membership No. : 048684

Place : Nashik
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Chairman
DIN : 06693563

Suresh Joshi
Director
DIN : 00770370

Place : Mumbai
Date : 25th January, 2017

Notes to Financial Statements

1 (A) **BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

(i) The financial statements have been prepared in compliance with all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

(ii) Financial statements are based on historical cost and are prepared on accrual basis.

(iii) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

(B) **SIGNIFICANT ACCOUNTING POLICIES :**

(a) Fixed Assets:

(i) Fixed Assets are stated at their original cost of acquisition/installation (net of Modvat / Cenvat credit availed), net of accumulated depreciation, amortisation and impairment losses.

(ii) Capital work in progress is stated at the amount expended up to the date of Balance Sheet.

(iii) Expenditure during construction period (including financing cost relating to borrowed funds for construction or acquisition of qualifying fixed assets) incurred on projects under implementation are treated as Pre-operative expenses, pending allocation to the assets, and are included under "Capital Work in Progress".These expenses are apportioned to fixed assets on commencement of commercial production.

(b) Depreciation on Fixed Assets :

(i) Tangible Assets :

(I) Depreciation on assets is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

(II) Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of acquisition or installation, and in the case of a new project, from the date of commencement of commercial production. Depreciation on assets sold, discarded, demolished or scrapped is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

(ii) Intangible Assets :

Expenditure on computer software is amortised on straight line method over the period of expected benefit not exceeding five years.

(c) Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. A previously recognised impairment loss is increased or reversed depending on changes in circumstances.

(d) Inventories :

Inventories are valued at lower of cost less provision for slow and non-moving inventory, if any, and net realizable value. Cost of WIP and Finished Goods includes direct material, labour and appropriate proportion of manufacturing overheads. Cost of finished goods includes excise duty. Cost is determined on weighted average basis.

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

(e) Provisions / Contingencies :

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. A contingent liability is disclosed, unless the possibility of an outflow of resources is remote.

(f) Foreign Currency Conversion :

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

(g) Revenue recognition :

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

(i) Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Accordingly, domestic sales are accounted on dispatch of products to customers and Export sales are accounted on the basis of date of Bill of Lading. Sales are disclosed net of sales tax / VAT, discounts and returns, as applicable.

(ii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(h) Employee Benefits :

(i) Defined Contribution Plan

Employee benefits in the form of contribution to Provident Fund managed by Government Authorities and Labour Welfare Fund are considered as defined contribution plan and the same are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefit in the form of Gratuity, is considered as defined benefit obligation and is provided for on the basis of actuarial valuation, using the projected unit credit method, as at the date of Balance Sheet. Actuarial gain / loss, if any, is immediately recognised in Profit & Loss Account.

(i) Borrowing Costs :

(i) Borrowing cost attributable to acquisition and construction of assets that necessarily takes substantial period of time are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use.

(ii) Other borrowing costs are charged as expense in the year in which these are incurred.

(j) Taxation :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-Tax Act. Deferred Income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which these assets can be realised in future whereas in case of existence of carry forward of losses or unabsorbed depreciation, deferred tax assets are recognised only if there is virtual certainty of realisation backed by convincing evidence.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

k) Leases :

Where the Company is the lessee -

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

(l) Segment Reporting Policies :

(i) Identification of segments :

The Company considers 'Cement & Cementitious Materials' as one business segment. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(ii) 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.

(m) Cash and Bank balances :

(i) Cash and Bank balances in the Balance Sheet comprise cash at bank including fixed deposits, cheques in hand and cash on hand.

(ii) Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash on hand and short-term investments with an original maturity of three months or less.

(n) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
2 Share capital		
Authorised		
3,500,000 (Previous year - 3,500,000) Equity Shares of ₹ 10 each	**35,000,000**	35,000,000
Total	**35,000,000**	35,000,000
Issued		
2,075,383 (Previous year - 2,075,383) Equity Shares of ₹ 10 each fully paid up	**20,753,830**	20,753,830
Subscribed and fully paid up		
2,075,383 (Previous year - 2,075,383) Equity Shares of ₹ 10 each fully paid up	**20,753,830**	20,753,830

Additional information :

	As at 31.12.2016		As at 31.12.2015	
	No. of shares	₹	No. of shares	₹
a) Reconciliation of equity shares outstanding				
At the beginning of the year	**2,075,383**	**20,753,830**	2,075,383	20,753,830
At the end of the year	**2,075,383**	**20,753,830**	2,075,383	20,753,830

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity share is entitled to one vote per equity share.

In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
c) Equity shares held by holding company, ultimate holding company and their subsidiaries		
i) Ambuja Cements Limited - Holding Company		
2,075,383 (Previous year - 2,075,383) Equity Shares of ₹ 10 each fully paid-up	**20,753,830**	20,753,830

	As at 31.12.2016		As at 31.12.2015	
	No. of shares	**% holding**	No. of shares	% holding
d) Details of equity shares held by shareholders holding more than 5% shares in the Company				
Ambuja Cements Limited	**2,075,383**	**100.00%**	2,075,383	100.00%

3 Reserves and surplus

	₹	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Subsidies :			
Cash subsidies from Government and other authorities			
Balance as per the last financial statements		-	1,500,000
Less : Refund of capital investment subsidy to State Government		-	(1,500,000)
		-	-
General Reserve :			
Balance as per the last financial statements		**36,083,142**	36,083,142
		36,083,142	36,083,142
Deficit in the statement of profit and loss			
Balance as per the last financial statements	**(346,172,151)**		(310,967,662)
Less : Depreciation of earlier period as per schedule II of Companies Act, 2013 (Refer note 36)	-		(22,698,122)
Profit / (Loss) for the year	**4,047,659**		(12,506,367)
		(342,124,492)	(346,172,151)
Total		**(306,041,350)**	(310,089,009)

4 Long-term borrowings

	Non-current		Current	
	As at 31.12.2016 ₹	As at 31.12.2015 ₹	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Term Loans				
Loan from Ambuja Cement Limited #	**120,554,183**	101,950,940	**55,809,729**	323,812,972
Intercorporate deposit from Ambuja Cements Limited #	-	-	**249,400,000**	-
Total	**120,554,183**	101,950,940	**305,209,729**	323,812,972
Less : Amount disclosed under the head "Other current liabilities" (Refer note 7)	-	-	**(305,209,729)**	(323,812,972)
Total	**120,554,183**	101,950,940	-	-
The above amount includes				
Secured borrowings	-	-	-	-
Unsecured borrowings	**120,554,183**	101,950,940	**305,209,729**	323,812,972
Net amount	**120,554,183**	101,950,940	**305,209,729**	323,812,972

Loan from Ambuja Cements Limited carries interest rate of 12% p.a.

5 Provisions

	Long-term		Short-term	
	As at 31.12.2016 ₹	As at 31.12.2015 ₹	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Provision for employee benefits				
Provision for gratuity and staff benefit schemes	**7,872,215**	7,134,082	**339,635**	1,355,238
Total	**7,872,215**	7,134,082	**339,635**	1,355,238

6 Trade payables

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Trade Payables others (Refer note 35)	**45,644,259**	42,851,800
Total	**45,644,259**	42,851,800

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
7 Other current liabilities		
Current maturities of Long-term borrowing (refer note 4)	**305,209,729**	323,812,972
Interest accrued but not due - Ambuja Cements Limited	**84,465,700**	84,458,697
Security deposit	**1,343,663**	1,343,663
Advance received from customer	**806,449**	1,462,965
Statutory dues	**3,570,490**	4,214,747
Others	**1,209,142**	123,716
Total	**396,605,173**	415,416,760

8 Tangible and intangible assets

₹

	Tangible assets								Intangible assets	
	Freehold land	Buildings, roads and water works	Plant and machinery	Electrical installations	Furniture and fixtures	Office equipment	Vehicles	Total	Computer software	Total
Gross carrying value, at cost										
Opening as on 1st January, 2015	7,270,210	73,815,813	266,336,294	12,932,144	8,006,103	4,918,283	98,264	373,377,111	5,433,473	5,433,473
Additions	-	73,537	311,426	-	-	130,899	-	515,862	-	-
Deductions / Transfers	-	-	406,191	-	-	44,476	-	450,667	-	-
As at 31st December, 2015	7,270,210	73,889,350	266,241,529	12,932,144	8,006,103	5,004,706	98,264	373,442,306	5,433,473	5,433,473
Additions	**-**	**-**	**5,794,583**	**-**	**-**	**41,200**	**-**	**5,835,783**	**-**	**-**
Deductions / Transfers	**-**	**-**	**-**	**-**	**-**	**60,809**	**-**	**60,809**	**-**	**-**
At 31st December, 2016	**7,270,210**	**73,889,350**	**272,036,112**	**12,932,144**	**8,006,103**	**4,985,097**	**98,264**	**379,217,280**	**5,433,473**	**5,433,473**
Depreciation / amortisation										
Opening as on 1st January, 2015	-	7,466,249	167,268,670	8,608,447	2,175,112	3,561,393	72,915	189,152,786	3,233,192	3,233,192
Charge for the year	-	24,346,237	22,226,644	1,093,886	2,403,437	1,184,300	(9,269)	51,245,235	1,076,804	1,076,804
Deductions / Transfers	-	-	294,201	-	-	44,476	-	338,677	-	-
As at 31st December, 2015	-	31,812,486	189,201,113	9,702,333	4,578,549	4,701,217	63,646	240,059,344	4,309,996	4,309,996
Charge for the year	**-**	**2,970,121**	**21,955,818**	**1,036,812**	**630,645**	**157,417**	**5,671**	**26,756,484**	**453,557**	**453,557**
Deductions / Transfers	**-**	**-**	**-**	**-**	**-**	**15,809**	**-**	**15,809**	**-**	**-**
At 31st December, 2016	**-**	**34,782,607**	**211,156,931**	**10,739,145**	**5,209,194**	**4,842,825**	**69,317**	**266,800,019**	**4,763,553**	**4,763,553**
Net carrying value										
As at 31st December, 2015	7,270,210	42,076,864	77,040,416	3,229,811	3,427,554	303,489	34,618	133,382,962	1,123,477	1,123,477
At 31st December, 2016	**7,270,210**	**39,106,743**	**60,879,181**	**2,192,999**	**2,796,909**	**142,272**	**28,947**	**112,417,261**	**669,920**	**669,920**

Note : Refer note 36

	Non-current		Current	
	As at 31.12.2016 ₹	As at 31.12.2015 ₹	As at 31.12.2016 ₹	As at 31.12.2015 ₹
9 Loans and advances				
Unsecured, considered good				
Capital advances	**28,712**	28,712	**-**	-
Security and other deposit	**2,669,065**	2,934,784	**-**	-
Income tax advances (net of provisions)	**28,803,028**	13,272,111	**6,407,520**	-
Deposit in court regarding flyash dispute with mahagenco	**-**	-	**20,401,313**	6,618,786
Advances recoverable in cash or kind	**914,444**	1,141,730	**22,882,97**	1,800,020
Total	**32,415,249**	17,377,337	**29,097,130**	8,418,806

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
10 Other non-current assets		
Deposits with original maturity for more than 12 months	**3,288,214**	2,698,746
Total	**3,288,214**	2,698,746
11 Inventories		
(At cost, less provision for slow and non moving inventory and net realisable value whichever is lower)		
Raw materials	**175,930**	1,700,742
Finished goods	**427,996**	729,394
Stores and spares parts	**9,988,403**	4,697,972
Packing materials	**2,808,874**	3,515,933
Total	**13,401,203**	10,644,041
12 Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	**366,312**	426,220
Unsecured, considered doubtful	**2,179,981**	2,221,072
	2,546,293	2,647,292
Less : Provision for doubtful receivables	**(2,179,981)**	(2,221,072)
	366,312	426,220
Other		
Unsecured, considered good	**69,230,396**	71,947,706
	69,230,396	71,947,706
Total	**69,596,708**	**72,373,926**

	Non-current		Current	
	As at 31.12.2016 ₹	As at 31.12.2015 ₹	**As at 31.12.2016 ₹**	As at 31.12.2015 ₹
13 Cash and bank balances				
Cash and cash equivalents				
Balances with bank :				
In Current accounts	**-**	-	**11,843,866**	16,547,978
	-	-	**11,843,866**	16,547,978
Cash on hand	**-**	-	**4,165**	55,624
	-	-	**11,848,031**	16,603,602
Other bank balances :				
Fixed deposit with banks*				
Original maturity more than 3 months and upto 12 months	**-**	-	**2,300,000**	-
Original maturity more than 12 months #	**3,288,214**	2,698,746	**-**	-
	3,288,214	2,698,746	**2,300,000**	-
Less : Amount disclosed under non-current asset (Refer note 10)	**(3,288,214)**	(2,698,746)	**-**	-
Total	**-**	-	**14,148,031**	16,603,602
14 Other current assets				
Unsecured, considered good				
Interest accrued on fixed deposit			**253,422**	515,354
Total			**253,422**	515,354

		₹	2016 ₹	2015 ₹
15	**Other Operating Revenue**			
	Revenue from Job Work		**142,267,775**	184,438,631
	By-product revenue		**22,888,315**	18,723,308
	Provision no longer required written back		**-**	439,205
	Sale of scrap (net of excise duty)		**187,305**	635,738
	Total		**165,343,395**	204,236,882
	Note : Revenue from Jobwork includes material sales ₹ 30,758,622 (Previous year ₹ 35,750,690)			
16	**Other income**			
	Interest income on Bank deposits		**927,881**	252,934
	Profit on sale of fixed asset (Net)		**-**	106,877
	Total		**927,881**	359,811
17	**Cost of raw materials consumed**			
	Opening stock		**1,700,742**	207,748
	Add : Purchases		**65,239,147**	66,697,045
	Less : Closing stock		**175,930**	1,700,742
	Total		**66,763,959**	65,204,051
	Break-up of raw materials consumed			
	Fly ash		**66,763,959**	65,204,051
			66,763,959	65,204,051
18	**Changes in inventories of finished goods and work-in-progress**			
	Closing stock :			
	Finished goods	**427,996**		729,394
			427,996	729,394
	Opening stock :			
	Finished goods	**729,394**		321,231
			729,394	321,231
	Decrease/(Increase)		**301,398**	(408,163)
19	**Employee benefits expense**			
	Salaries and wages		**30,047,578**	30,020,289
	Contribution to provident and other fund		**2,421,372**	2,782,041
	Staff welfare expenses		**2,139,019**	1,707,974
	Total		**34,607,969**	34,510,304
20	**Freight and forwarding expenses**			
	On finished products		**28,909,696**	20,386,531
	Total		**28,909,696**	20,386,531
21	**Finance costs**			
	Interest :			
	Interest on borrowings			
	On others		**51,223,505**	52,974,285
	Total		**51,223,505**	52,974,285

		₹	2016 ₹	2015 ₹
22	**Depreciation and amortisation expense**			
	Depreciation on tangible assets (Refer note 36)		**26,756,484**	29,014,461
	Amortisation on intangible assets		**453,557**	609,456
	Total		**27,210,041**	29,623,917
23	**Other expenses**			
	Stores & spares consumed		**5,248,716**	8,308,660
	Packing material consumed		**5,699,193**	7,135,762
	Repairs and maintenance :			
	Building	**189,355**		190,052
	Plant and machinery	**2,978,621**		3,214,593
	Other	**67,690**		19,257
			3,235,666	3,423,902
	Rent		**-**	212,050
	Rates and taxes		**200,610**	199,308
	Insurance		**851,452**	1,260,705
	Technology and Know-How fee (net of recovery)		**1,000,618**	623,950
	Advertisement and publicity		**56,424**	180,001
	Donation		**11,000**	-
	Out source services -material handling charges		**23,113,014**	21,281,296
	Miscellaneous expenses*		**13,302,495**	15,758,659
	Total		**52,719,188**	58,384,293
*	Miscellaneous expenses include payment to auditors (excluding service tax)			
	Statutory auditor			
	As auditors		**700,000**	700,000
	For other services		**300,000**	300,000
	Total		**1,000,000**	1,000,000

		2016 ₹	2015 ₹
24	**Earnings per equity share (EPS)**		
i	Profit attributable to equity shareholders for basic and diluted EPS	**4,047,659**	(12,506,368)
ii	Weighted average number of equity shares for basic EPS	**2,075,383**	2,075,383
	Weighted average number of shares for diluted EPS	**2,075,383**	2,075,383
iii	Nominal Value of equity shares (in ₹)	**10**	10
iv	Earnings per equity share (in ₹)		
	Basic	**1.95**	(6.03)
	Diluted	**1.95**	(6.03)

	2016 ₹	2015 ₹
25 Segment reporting		
The Company has only one business segment 'Cementitious Materials' as primary segment. The secondary segment is geographical, which is given as under :		
a) Revenue from operations		
i) Sale of product (Net of excise duty)		
Within india	**93,934,450**	58,820,418
Outside india	**10,026,550**	10,804,541
Total	**103,961,000**	69,624,959
ii) Other operating revenue		
Within india	**165,343,395**	204,236,882
Total	**165,343,395**	204,236,882
iii) Other income		
Within india	**927,881**	359,811
	927,881	359,811

b) All the assets of the Company, except ₹ 310608 (previous year - ₹ 469209), are within India. All tangible assets acquired during the year are within India.

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
26 Contingent liabilities and commitments (to the extent not provided for)	**-**	-

27 Dispute with Mahagenco

The Company's agreement with Maharashtra State Power Generation Company Limited (MAHAGENCO), for supply of Pulverized Fly Ash (PFA) is under dispute. The Company is in the process of re-initiating arbitration process. Accordingly, the financial statements are prepared on a going concern basis.

28 RELATED PARTY DISCLOSURE

(a) List of Related Parties and relationships :

Party	Relation
I. Enterprises who control the reporting enterprise/ Major Shareholders	
LafargeHolcim Ltd. (Formerly known as Holcim Ltd.), Switzerland	Ultimate Holding Company
Ambuja Cements Limited, India	Holding Company
II. Key Management Personnel	-
III. Relatives of Key Management Personnel	-
IV. Others-with whom transactions have taken place during the year	
ACC Limited, India	Subsidiary of Holding Company
Lafarge India Private Limited	Fellow Subsidiary (Upto 30th September 2016)
Lafarge Aggregates & Concrete India Private Limited	Fellow Subsidiary (Upto 30th September 2016)

Note: Only enterprises / parties with whom there are transactions during the current period / previous period are considered above.

28 (b) Details of material related party transactions :

For the period of 1st Jan 2016 to 31st Dec 2016

Description	Holding Company	Shareholders having Significant Influence/Group Companies		
	Ambuja Cements Limited	ACC Limited	Lafarge India Private Limited	Lafarge Aggregates & Concrete India Private Limited
Sale of Goods	**44,262,905**	**1,738,155**	**2,270,217**	**-**
	(47,225,434)	(4,286,670)	(7,043,412)	-
Purchase of Goods	**-**	**-**	**-**	**-**
	-	-	-	-
Providing services - Job work	**111,509,152**	**-**	**-**	**-**
	(148,687,941)	-	-	-
Technology & Know-How Fees (Including taxes)	**1,148,586**	**-**	**-**	**-**
	(707,084)	-	-	-
Interest Paid / Provided	**51,091,668**	**-**	**-**	**-**
	(51,091,661)	-	-	-
Loan taken outstanding at the end of the year	**425,763,912**	**-**	**-**	**-**
	(425,763,912)	-	-	-
Amount Receivable	**48,133,315**	**672,943**	**-**	**-**
	(54,600,445)	(2,895,753)	(3,364,896)	(147,339)
Amount Payable	**84,727,161**	**-**	**-**	**-**
	(84,612,219)	-	-	-

Note :

1) Related party relationship is as identified by the company on the basis of available information.
2) Figures for the previous year are shown in bracket wherever applicable.

	2016 ₹	2015 ₹
29 Gratuity and other post-employment benefit plans:		
a) Defined Contribution Plans		
The Company has recognised expenses towards the defined contribution plans as under :		
Contribution to employees' provident fund organisation	**1,349,306**	1,376,695
Others	**102,733**	6,228
Total	**1,452,039**	1,382,923

b) Defined Benefit Plans - as per actuarial valuation

The company has benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure, at 15 days salary (on last drawn basic salary) for each completed year of service.

The following tables summarise the components of net benefit / expense recognised in the statement of profit and loss and amounts recognised in the balance sheet:

29 Gratuity and other post-employment benefit plans: *(Contd.)*

Particulars		2016	2015
		Other non funded	Other non funded
I)	Expense recognised in the financial statement		
1.	Current Service Cost	**743,040**	675,431
2.	Interest Cost	**659,793**	667,948
3.	Past service cost	**-**	-
4.	Expected return on plan assets	**-**	-
5.	Actuarial (gains)/ losses	**(433,500)**	55,739
6.	Total expenses recognised in the statement of profit and loss	**969,333**	1,399,118
7.	Total expenses capitalised	**-**	-
II)	Net Asset / (Liability) recognised in the Balance Sheet		
1.	Present Value of Defined Benefit Obligation	**8,211,850**	8,489,320
2.	Fair Value of Plan Assets	**-**	-
3.	Funded Status [Surplus / (Deficit)]	**(8,211,850)**	(8,489,320)
4.	Net Asset/ (Liability)	**(8,211,850)**	(8,489,320)
III)	Change in Obligation during the Year		
1.	Present value of defined benefit obligation at the beginning of the year	**8,489,320**	7,421,644
2.	Current Service Cost	**743,040**	675,431
3.	Interest Cost	**659,793**	667,948
4.	Past service cost	**-**	-
5.	Actuarial (gains) / losses	**(433,500)**	55,739
6.	Benefits payments	**(1,246,803)**	(331,442)
7.	Present value of defined benefit obligation at the end of the year	**8,211,850**	8,489,320

		As at 31.12.2016	As at 31.12.2015
IV)	Actuarial Assumptions:		
1.	Discount Rate	**7.05% p.a.**	7.75% p.a.
2.	Expected rate of return on plan assets	**0% p.a.**	0% p.a.
3.	Mortality	**IALM (2006-08)**	IALM (2006-08)
4.	Turnover rate	**2% p.a.**	2% p.a.
5.	Medical premium inflation	**NA**	NA
6.	Salary Escalation	**7% p.a.**	8% p.a.
V)	Amounts recognised as an expense in respect of defined benefit plans as under :		
	Gratuity	**969,333**	1,399,118

VI) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	As at 31.12.2016 ₹	As at 31.12.2015 ₹	As at 31.12.2014 ₹	As at 31.12.2013 ₹	As at 31.12.2012 ₹
c) Amount for the current and previous four years are as follows :					
Non Funded					
Defined benefit obligation	**8,211,850**	8,489,320	7,421,644	7,309,866	9,699,143
Surplus / (deficit)	**-**	-	-	-	-
Experience adjustments on plan liabilities	**(433,500)**	55,739	(514,547)	(3,088,155)	(455,740)

		2016		2015	
		₹	%	₹	%
30 a) Raw materials consumed					
(i) Imported		**-**	-	-	-
(ii) Indigenous		**66,763,959**	**100.00**	65,204,051	100.00
Total		**66,763,959**	**100.00**	65,204,051	100.00
b) Spares consumed					
(i) Imported		**107,004**	**2.04**	1,260,224	15.17
(ii) Indigenous		**5,141,712**	**97.96**	7,048,436	84.83
Total		**5,248,716**	**100.00**	8,308,660	100.00

		Foreign Currency	In ₹	Foreign Currency	In ₹
31 Unhedged foreign currency exposure					
Outstanding trade receivables	**In USD**	**4,571**	310,608	7,018	469,209

	2016 In ₹	2015 In ₹
32 CIF value of imports		
(i) Components and spare parts	**4,731,885**	110,649
33 Expenditure in foreign currency (accrual basis) :		
(i) Spares for machinery	**4,731,885**	110,649
34 Earnings in foreign exchange (accrual basis) :		
(i) F.O.B. value of exports	**5,583,478**	6,310,329

35 The company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures, if any, relating to amounts unpaid as at the period end as required under the said Act, have not been furnished.

36 Pursuant to the enactment of the Companies Act 2013 ('the Act'), the Company had, effective 1st January, 2015, reviewed and revised the estimated useful lives of fixed assets, as per the life indicated in the Act. Accordingly, as per the transition provisions of the Act, the Company has adjusted ₹ 22,698,122 in opening balance of "Deficit in the statement of profit and loss" as on 1st January, 2015. Further as a result of this change, depreciation for the period ended 31st December, 2015 is higher by ₹ 6,834,063.

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
37 Deferred tax assets (net)		
Break-up of deferred tax assets and liabilities are as under :		
a) Deferred tax assets, on account of :		
Employee benefits	-	2,623,000
Unabsorbed loss	-	556,000
Total	-	3,179,000
b) Deferred tax liabilities, on account of :		
Depreciation	-	(3,179,000)
Total	-	(3,179,000)

38 Figures of the previous year have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 38

As per our attached report of even date

Anand Daga
Chartered Accountant
Proprietor
Membership No. : 048684

Place : Nashik
Date : 25th January, 2017

For and on behalf of the Board

Vilas Deshmukh
Chariman
DIN : 06693563

Suresh Joshi
Director
DIN : 00770370

Place : Mumbai
Date : 25th January, 2017

Independent Auditor's Report

To the Board of Directors of Dang Cement Industries Private Limited,

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that 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 of 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st December, 2016, and its profit/loss and its cash flows for the year ended on that date.

a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2016;

b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014; and

e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure - A".**

f) 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 be best of our information and according to the explanations given to us :

   i. There are no pending litigations which would impact the financial position of the Company.

   ii. The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

   iii. Investor Education and Protection Fund is not applicable to the company.

For **B & B ASSOCIATES**
Chartered Accountants
Firm Registration No. : 100 (The Institute of Chartered Accountants of Nepal)

B. M. Dhungana
FCA
Membership No. 327 (The Institute of Chartered Accountants of Nepal)

Place : Kathmandu
Date : 25th January, 2017

ANNEXURE A - TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DANG CEMENT INDUSTRIES PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Dang Cement Industries Private Limited** ("the Company") as of December 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 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 & B ASSOCIATES**
Chartered Accountants
Firm Registration No. : 100 (The Institute of Chartered Accountants of Nepal)

B. M. Dhungana
FCA
Membership No. 327 (The Institute of Chartered Accountants of Nepal)

Place : Kathmandu
Date : 25th January, 2017

Balance Sheet
As at 31st December, 2016

	Note	As at 31.12.2016 ₹	As at 31.12.2015 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	**138,412,188**	138,412,188
Reserves and surplus	3	**(54,161,393)**	(53,452,327)
		84,250,795	84,959,861
Non Current Liabilities			
Deferred tax liability (net)		**656**	729
Current liabilities			
Other current liabilities	4	**31,855**	9,375
		31,855	9,375
TOTAL		**84,283,306**	84,969,965
ASSETS			
Non current assets			
Tangible assets	5	**39,507,273**	34,263,808
Capital work-in-Progress		**-**	3,191,752
Long-term loans and advances	6	**250,000**	50,000
Other non current assets	7	**25,000,000**	25,000,000
		64,757,273	62,505,560
Current Assets			
Cash and bank balances	8	**16,284,515**	19,702,528
Short-term loans and advances	6	**3,038,333**	2,506,149
Other current assets	7	**203,185**	255,728
		19,526,033	22,464,405
TOTAL		**84,283,306**	84,969,965
Significant accounting policies	1	**-**	-

The accompanying notes are integral part of the financial statements.

As per our attached report of even date
For B & B ASSOCIATES
Chartered Accountants

For and on behalf of the Board

B. M. Dhungana
Partner
Membership No. : 327 (The Institute of Chartered Accountants of Nepal)

Abhijit Ghosh
Director

Rajiv Gandhi
Director

Place : Kathmandu
Date : 25th January, 2017

Statement of Profit and Loss
for the year ended 31st December, 2016

	Note	2016 ₹	2015 ₹
Revenue			
Revenue from operations		**-**	-
Other income		**1,505,947**	1,754,795
Total Revenue		**1,505,947**	1,754,795
Expenses			
Depreciation & amortisation expenses	5	**25,713**	10,851
Other expenses	9	**2,189,373**	2,282,137
Total Expenses		**2,215,086**	2,292,988
Profit/(loss) before tax		**(709,139)**	(538,193)
Tax expenses			
Deferred tax income		**73**	-
Profit/(loss) for the year		**(709,066)**	(538,193)
Earnings per equity share of ₹ 62.50 each	10		
Basic		**(0.32)**	(0.24)
Diluted		**(0.32)**	(0.24)
Significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date
For B & B ASSOCIATES
Chartered Accountants

For and on behalf of the Board

B. M. Dhungana
Partner
Membership No. : 327 (The Institute of Chartered Accountants of Nepal)

Abhijit Ghosh
Director

Rajiv Gandhi
Director

Place : Kathmandu
Date : 25th January, 2017

Cash Flow Statement
For the year ended 31st December, 2016

		2016	2015
		₹	₹
A)	**Cash flows from operating activities**		
	Profit/(Loss)Loss before tax	**(709,139)**	(538,193)
	Adjustment for:		
	Depreciation	**25,713**	10,851
	Interest income	**(1,505,947)**	(1,754,795)
	Operating profit before working capital changes	**(2,189,373)**	(2,282,137)
	Adjustment for:		
	Loans and advances and other assets	**(225,257)**	640,680
	Trade payables	**22,480**	(5,000)
	Cash generated from operations	**(2,392,150)**	(1,646,457)
	Direct taxes paid	**(506,927)**	(828,865)
	Net cash flow from/(used in) operating activities (A)	**(2,899,077)**	(2,475,322)
B)	**Cash Flows from Investing activities**		
	Interest received on FDR from Bank	**1,558,490**	1,771,387
	Purchase of Fixed assets (CWIP)	**(2,077,426)**	(3,191,752)
	Net cash flow from/(used in) investing activities (B)	**(518,936)**	(1,420,365)
	Net increase / (decrease) in cash & cash equivalents (A+B)	**(3,418,013)**	(3,895,687)
	Cash and cash equivalents at the end of the year	**16,284,515**	19,702,528
	Cash and cash equivalents at the begining of the year	**19,702,528**	23,598,215
		(3,418,013)	(3,895,687)
	Components of cash and cash equivalents :		
	Cash on hand	**45,762**	56,745
	With banks - on current accounts	**6,863,753**	7,145,782
	With banks - on deposits accounts	**9,375,000**	12,500,000
	Cash and cash equivalents at the year end	**16,284,515**	19,702,527

Notes :

1) Figures in brackets represent cash outflow.

Significant accounting policies - Note 1

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For B & B ASSOCIATES

Chartered Accountants

B. M. Dhungana

Partner

Membership No. : 327 (The Institute of Chartered Accountants of Nepal)

For and on behalf of the Board

Abhijit Ghosh

Director

Rajiv Gandhi

Director

Place : Kathmandu

Date : 25th January, 2017

Notes to Financial Statements for the year ended 31st December, 2016

1 Significant Accounting Policies:

a) Basis of Preparation of Financial Statements :

i The financial statements have been prepared in compliance with all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

ii Financial statements are based on historical cost and are prepared on accrual basis.

iii The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

iv As the company is incorporated in Nepal under the Companies Act 2063 prevailing in Nepal, accounting entries are made in local Nepalese Currency. However for the consolidation of accounts with the holding company, figures in Nepalese Currency (NPR) have been converted into Indian Currency (INR) at the fixed exchange rate between Indian and Nepalese currency at the rate of NPR 1.60 (1.60) for every INR.

b) i Fixed Assets :

The fixed assets have been stated at their original cost of acquision/instation (net off Modvat/cenvat credit availed),net off accumulated depreciation, amortisation and impairment losses except freehold non mining land which is carried at cost less impairment losses. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use.

ii Depreciation and Amortisation:

a Depreciation on assets is provided at the rates and in the manner prescribed specified in Schedule II of the Companies Act, 2013

b Cost of mineral reserve embeded in the cost of freehold mining land is depreciated in proportion to actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves.

c) Revenue Recognition :

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.

d) Taxation :

Current Taxes :

Provision for current income-tax is recognized in accordance with the provisions of Nepal Income Tax Act, 2058 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes :

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

e) Provisions and Contingencies :

A provision is recognised for a present obligation as a result of past events, if it is probable that an outlow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. A contingent liability is disclosed, unless the possibility of an outflow is remote.

f) Cash and Bank Balances :

i. Cash and Bank balances in the Balance Sheet comprise cash at bank including fixed deposits, cheques in hand and cash in hand.

ii. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash on hand and short-term investments with an original maturity of three months or less.

g) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
2 Share capital		
Authorised capital		
70,000,000 (previous year -70,000,000) Equity Shares of NPR 100 (equivalent INR.62.50) each.....	-	-
	-	-
Issued, subscribed and fully paid up		
2,214,595 (previous year -2,214,595) Equity Shares of NPR 100 (equivalent INR.62.50) each fully paid up.....	**138,412,188**	138,412,188
	138,412,188	138,412,188
	138,412,188	138,412,188

a) Terms / Right attached to equity shares

i) The Company has only one class of equity shares having a par value of NPR 100 (equivalent INR.62.50) per share. Each holder of equity share is entitled to one vote per share.

ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of equity shares held by shareholders holding more than 5% shares in the Company

Particular	As at 31.12.2016		As at 31.12.2015	
	No. of shares	% holding	No. of shares	% holding
Ambuja Cements Limited, the holding company.....	**2,029,135**	**92%**	2,029,135	92%

c) Reconciliation of equity shares outstanding

Particular	As at 31.12.2016		As at 31.12.2015	
	No. of shares	₹	No. of shares	₹
At the beginning of the year.....	**2,214,595**	**138,412,188**	2,214,595	138,412,188
At the end of the year.....	**2,214,595**	**138,412,188**	2,214,595	138,412,188

d) Shares held by holding Company, ultimate holding company and their subsidiaries

Particular	As at 31.12.2016 ₹	As at 31.12.2015 ₹
Ambuja Cements Limited, the holding company 2,029,135 (previous year - 2,029,135) equity shares of NPR 100 (equivalent INR.62.50) each fully paid up	**126,820,928**	126,820,938

	As at 31.12.2016 ₹	As at 31.12.2015 ₹
3 Reserves and surplus		
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per last financial statements.....	**(53,452,327)**	(52,914,134)
Add : Profit for the year.....	**(709,066)**	(538,193)
Closing balance.....	**(54,161,393)**	(53,452,327)
4 Other current liabilities		
Other than Micro, Small and Medium Enterprises.....	**12,500**	9,375
TDS payable.....	**19,355**	-
Total.....	**31,855**	9,375

5 Tangible assets

(Amount in ₹)

	Freehold non mining land	Freehold mining land	Factory Building	Furniture, fixtures and office equipments	Computer & office equipments	TOTAL
Cost						
At 1st January, 2015	33,017,910	1,158,500	-	96,750	68,647	34,341,807
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfer to assets held for sale	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-
Borrowing cost	-	-	-	-	-	-
At 31st December, 2015	**33,017,910**	**1,158,500**	**-**	**96,750**	**68,647**	**34,341,807**
Additions	-	-	5,269,178	-	-	5,269,178
Disposals	-	-	-	-	-	-
Transfer to assets held for sale	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-
Borrowing cost	-	-	-	-	-	-
At 31st December, 2016	**33,017,910**	**1,158,500**	**5,269,178**	**96,750**	**68,647**	**39,610,985**
Depreciation						
At 1st January, 2015	-	-	-	16,810	50,338	67,148
Charge for the year	-	-	-	6,124	4,727	10,851
At 31st December, 2015	-	-	-	22,934	55,065	77,999
At 1st January, 2016			-	22,934	55,065	77,999
Charge for the year	**-**	**-**	**14,862**	**6,124**	**4,727**	**25,713**
At 31st December, 2016	**-**	**-**	**14,862**	**29,058**	**59,792**	**103,712**
Net block						
At 31st December, 2015	33,017,910	1,158,500	-	73,816	13,582	34,263,808
At 31st December, 2016	**33,017,910**	**1,158,500**	**5,254,316**	**67,692**	**8,855**	**39,507,273**

	Non-current		Current	
	As at 31.12.2016 ₹	As at 31.12.2015 ₹	**As at 31.12.2016** ₹	As at 31.12.2015 ₹
6 Loans and advances				
Unsecured, considered good				
Security deposit	**250,000**	50,000	**-**	-
Advance recoverable in cash or kind	**-**	-	**603,171**	605,414
Prepaid expenses	**-**	-	**40,000**	12,500
TDS / VAT receivable	**-**	-	**2,395,162**	1,888,235
Total	**250,000**	50,000	**3,038,333**	2,506,149

	Non-current		Current	
	As at 31.12.2016 ₹	As at 31.12.2015 ₹	**As at 31.12.2016** ₹	As at 31.12.2015 ₹
7 Other assets				
Non-current bank balances (Refer note 8)	**25,000,000**	25,000,000	**-**	-
Interest accrued on fixed deposit	**-**	-	**203,185**	255,728
Total	**25,000,000**	25,000,000	**203,185**	255,728

		As at 31.12.2016 ₹	As at 31.12.2015 ₹
8	**Cash and Cash Balances**		
	a. Balances with banks		
	- On current account	**6,863,753**	7,145,783
	Deposit with original maturity of less than three months	**9,375,000**	12,500,000
	b. Cash on hand	**45,762**	56,745
		16,284,515	19,702,528
	Other bank balances		
	Deposit with original maturity of more than 12 months	**25,000,000**	25,000,000
		25,000,000	25,000,000
		41,284,515	44,702,528
	Amount disclosed under non - current assets (Refer note - 7)	**(25,000,000)**	(25,000,000)
	Total	**16,284,515**	19,702,528

		2016 ₹	2015 ₹
9	**Other expenses**		
	Repairs and maintenance - Building	**172,471**	-
	Rent - TP	**327,500**	300,000
	Rates and taxes	**-**	383,876
	Legal and professional fees	**18,750**	1,440,863
	Miscellaneous expenses*	**1,670,652**	157,398
		2,189,373	2,282,137
	* Miscellaneous expenses include payment to auditors (excluding service tax)		
	Statutory auditor	**46,875**	37,500
	For other services	**15,625**	9,375
	Total	**62,500**	46,875

10 Earnings per equity share (EPS) :

In accordance with Accounting Standard 20- Earning per Share, the computation of earning per share is set out below :

Particular	**2016**	2015
Weighted average number of Equity Shares of NPR 100 (equivalent INR. 62.50) each		
i) Number of shares at the beginning of the year	**2,214,595**	2,214,595
ii) Number of shares at the end of the year	**2,214,595**	2,214,595
iii) Weighted average number of shares outstanding during the year	**2,214,595**	2,214,595
Net Profit/(Loss) after tax available for equity shareholders. (₹)	**(709,066)**	(538,193)
Basic / Diluted Earning per share (in ₹)	**(0.32)**	(0.24)

Note: The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remained the same.

11 Related party disclosure :

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are details of transactions during the year with the related parties of the Company as defined in AS 18 :

a) Names of related parties where control exists :

Party	Nature of Relationship
LafargeHolcim Ltd.(Formerly known as Holcim Ltd.), Switzerland	Ultimate Holding company
Ambuja Cements Limited, India	Holding Company

b) Details of related parties transactions :

There are no transactions entered into by the company during the year (previous year - NIL) with the related parties as mentioned in (a) above

Note : Related Parties are as disclosed by the Management and relied upon by the auditors.

12 Taxation:

Current Tax

In absence of taxable income as per the provisions of the Nepal Income Tax Act, 2058 in the current year, provision for current tax has not been made.

Deferred Taxes

Deferred taxes liabilities and assets computed for present obligation as a result of past events attributable to the timing difference between taxable income and accounting income.

13 Figures of previous year have been re-grouped / rearranged wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 13

As per our attached report of even date

For B & B ASSOCIATES

Chartered Accountants

B. M . Dhungana

Partner

Membership No. : 327 (Institute of Chartered Accountants of Nepal)

For and on behalf of the Board

Abhijit Ghosh

Director

Rajiv Gandhi

Director

Place : Kathmandu

Date : 25th January, 2017

Ambuja Cement

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