STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of
UltraTech Cement Limited

Report on the Audit of the standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of UltraTech Cement Limited ('the Company'), which comprise the balance sheet as at 31 March 2019, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as 'standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 32 (b) of the standalone Ind AS financial statements, which describes the following matters:-

(a) In terms of order dated 31 August 2016, the Competition Commission of India ('CCI') has imposed penalty of Rs.1,175.49 crore for alleged contravention of the provisions of the Competition Act, 2002 by the Company. The Company had filed an appeal against CCI Order before the Competition Appellate Tribunal ('COMPAT'). Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the National Company Law Appellate Tribunal ('NCLAT'). NCLAT completed its hearing on the matter and disallowed the appeal filed by the Company against the CCI order. Aggrieved by the order of NCLAT, the Company has filed an appeal before the Honorable Supreme Court, which has granted a stay against the NCLAT order on the condition that the Company deposits 10% of the penalty amounting to Rs.117.55 crore which has been deposited. Based on a legal opinion, the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

(b) In terms of order dated 19 January 2017, the CCI had imposed penalty of Rs.68.30 crore pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in August, 2012 by the Company. The Company had filed an appeal before COMPAT and received the stay order dated 10 April 2017. Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the NCLAT for which hearing is pending. Based on legal opinion, the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Key Audit Matters		How the matter was addressed in our audit
Revenue recognition – Discounts, incentives, rebates etc. ▪ Revenue is measured net of discounts, incentives, rebates etc. earned by customers on the Company's sales. ▪ Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, incentives and rebate schemes to be recognised based on sales made during the year is material and considered to be complex and judgmental. ▪ Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates. ▪ Given the judgement required to estimate the amount of provisions, this is a key audit matter.		Our procedures included: ▪ Assessing the appropriateness of the Company's accounting policies relating to discounts, incentives, rebates, etc by comparing with applicable accounting standards. ▪ Assessing the design and testing the implementation and operating effectiveness of Company's internal controls over the approvals, calculation, provision and disbursement of discounts, incentives and rebates. ▪ Obtaining management's calculations for discounts, incentives and rebates accruals under applicable schemes on a sample basis and comparing the accruals made with the approved schemes. ▪ Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end date to determine whether these were recorded appropriately. ▪ Comparing the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to determine the appropriateness of current year-provisions. ▪ Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.
Regulations - Litigations and claims ▪ The Company operates in various States within India, exposing it to a variety of different Central and State/Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. ▪ Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.		Our procedures included: ▪ Review the outstanding litigations against the Company for consistency with the previous years. Enquire and obtain explanations for movement during the year. ▪ Reading the latest correspondence between the Company and the various tax/legal authorities and review of correspondence with / legal opinions obtained by the management, from external legal advisors, where applicable, for significant matters. ▪ Discussing the status of significant litigation with the Company's in-house Legal Counsel and other

▪ At 31 March 2019, the Company's contingent liabilities were Rs. 4,646.73 crore (refer note 32 to the standalone Ind AS financial statements). ▪ Management applies significant judgement in estimating the likelihood of the future outcome in each case when considering whether, and how much, to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation. ▪ These estimates could change substantially over time as new facts emerge and each legal case progresses. ▪ Given the inherent complexity and magnitude of potential exposures across the Company and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.	senior management personnel and assessing their responses. ▪ On sample basis, examine the Company's legal expenses and read the minutes of the board meetings, in order to ensure all cases have been identified. ▪ With respect to tax matters, involving our tax specialists, and discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. ▪ Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. ▪ For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Company's disclosures.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditors' Report (Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

   (A) As required by Section 143(3) of the Act, we report that:

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

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

   c) The balance Sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone Ind AS financial statements - Refer Note 32 to the standalone Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 47 to the standalone Ind AS financial statements;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the standalone Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

Independent Auditors' Report (Continued)

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 April 2019

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2019

Annexure A to the Independent Auditors' Report – 31 March 2019

(Referred to in our report of even date)

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

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the Company:

Particulars	Leasehold Land	Freehold Land	Buildings
Gross block as at 31 March 2019 (Rs. in Crore)	696.88	2125.24	43.34
Net block as at 31 March 2019 (Rs. in Crore)	627.65	2125.24	33.35
Total number of cases	424	2890	48

ii. The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax,, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as at 31 March 2019 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates (Assessment Year)	Amount* Rs. in Crore)
Sales Tax/ Value Added Tax (VAT)	Sales Tax, VAT, Interest and Penalty	Supreme Court	2000 to 2006	214.61
		High Court	1988 to 2017	20.00
		Tribunal(s)	1985 to 2017	136.68
		Appellate Authorities	1990 to 2016	197.95
		Assessing Officers	1997 to 2014	4.42
Customs Act, 1962	Customs Duty, Interest and Penalty	High Court	2002 to 2006	48.86
		Tribunal(s)	2000 to 2014	206.89
		Appellate Authorities	2003 to 2015	0.11
Central Excise Act, 1944	Excise Duty, Interest and Penalty	Supreme Court	1999 to 2011	98.97
		High Court	1998 to 2013	71.27
		Tribunal(s)	1994 to 2017	989.93
		Appellate Authorities	2003 to 2017	39.56
Finance Act, 1994	Service Tax, Interest and Penalty	Supreme Court	2004 to 2012	20.80
		High Court	2004 to 2010	19.00
		Tribunal(s)	2005 to 2019	486.23
		Appellate Authorities	2006 to 2017	34.56
Income Tax Act, 1961	Income Tax, Interest and Penalty	High Court	2001 to 2006	1.32

* net of amounts paid under protest.

viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.

ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

Annexure A to the Independent Auditors' Report – 31 March 2019 (Continued)

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 April 2019

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2019

Annexure B to the Independent Auditors' Report - 31 March 2019

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the standalone Ind AS financial statements of the Company as of and for the year ended 31 March 2019,we have audited the internal financial controls with reference to standalone Ind AS financial statements of UltraTech Cement Limited ('the Company') as of that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to standalone Ind AS financial statements and such internal financial controls were operating effectively as at 31 March, 2019, based on the internal financial controls with reference to standalone Ind AS financial statements 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 (the 'Guidance Note').

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as 'the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone Ind AS financial statements. 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 with reference to standalone Ind AS financial statements were established and maintained and whether 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 with reference to standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements.

Meaning of Internal Financial controls with Reference to standalone Ind AS financial statements

A company's internal financial controls with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone Ind AS financial statements include 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial controls with Reference to standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, 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 with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 April 2019

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2019

Standalone Balance Sheet as at March 31, 2019

₹ in Crores

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2	34,365.67			34,218.98
Capital Work-in-Progress	2	1,075.85			1,472.97
Intangible Assets	2	2,929.72			2,991.86
Intangible Assets under Development	2	3.80			0.91
			38,375.04		38,684.72
Financial Assets:					
Investments	3	5,549.66			2,214.19
Loans	4	109.77			115.15
Other Financial Assets	5	37.94	5,697.37		17.84
Income Tax Assets (Net)			127.18		140.33
Other Non-Current Assets	6		2,758.14		2,615.16
Total Non-Current Assets				46,957.73	43,787.39
Current Assets					
Inventories	7		3,273.62		3,101.50
Financial Assets:					
Investments	8	1,514.85			3,948.71
Trade Receivables	9	2,097.59			1,714.20
Cash and Cash Equivalents	10	419.48			63.91
Bank Balances other than Cash and Cash Equivalents	11	204.48			135.41
Loans	4	1,919.49			111.02
Other Financial Assets	5	842.50	6,998.39		497.40
Other Current Assets	12		1,151.53		971.11
Assets held for Disposal	53		55.18		42.35
Total Current Assets				11,478.72	10,585.61
TOTAL ASSETS				58,436.45	54,373.00
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	13 (a)		274.64		274.61
Other Equity	13 (b)		27,672.43		25,648.41
				27,947.07	25,923.02
Share Application Money Pending Allotment				0.65	-
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities:					
Borrowings	14	14,939.28			13,878.36
Other Financial Liabilities	15	-	14,939.28		28.27
Provisions	16		135.58		136.78
Deferred Tax Liabilities (Net)	17		3,544.35		3,174.05
Other Non-Current Liabilities	18		6.27		6.57
Total Non-Current Liabilities				18,625.48	17,224.03
Current Liabilities					
Financial Liabilities:					
Borrowings	19	2,642.74			2,687.83
Trade Payables					
Total Outstanding Dues of Micro Enterprises and Small Enterprises	56	20.28			9.73
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	20	2,633.46			2,214.43
Other Financial Liabilities	15	2,443.66	7,740.14		2,666.80
Other Current Liabilities	21		3,228.50		2,720.09
Provisions	16		439.17		485.32
Current Tax Liabilities (Net)			455.44		441.75
Total Current Liabilities				11,863.25	11,225.95
TOTAL EQUITY AND LIABILITIES				58,436.45	54,373.00
Significant Accounting Policies	1				
The accompanying notes form an integral part of the Standalone Financial Statements.					

In terms of our report attached.

For and on behalf of the Board of Directors

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

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Mumbai: April 24, 2019

Standalone Statement of Profit and Loss for the year ended March 31, 2019

₹ in Crores

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations (Refer Note 55 and 58)	22	**35,703.50**	30,251.75
Other Income	23	**471.45**	599.55
TOTAL INCOME (I)		**36,174.95**	30,851.30
EXPENSES			
Cost of Materials Consumed	24	**4,737.22**	3,978.36
Purchases of Stock-in-Trade	25	**1,582.35**	814.37
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	**(103.86)**	(113.08)
Employee Benefits Expense	27	**1,926.01**	1,706.24
Finance Costs	28	**1,419.15**	1,191.15
Depreciation and Amortisation Expense	29	**2,010.27**	1,763.56
Power and Fuel		**7,830.96**	5,959.50
Freight and Forwarding Expense	30	**8,782.28**	7,281.63
Excise Duty (Refer Note 58)		**-**	893.83
Other Expenses	31	**4,452.42**	3,885.94
		32,636.80	27,361.50
Less: Captive Consumption of Cement		**(24.15)**	(38.32)
TOTAL EXPENSES (II)		**32,612.65**	27,323.18
Profit before Exceptional Items and Tax Expense (I) – (II)		**3,562.30**	3,528.12
Exceptional Items			
Stamp Duty on Acquisition of Assets (Refer Note 37)		**-**	(226.28)
Profit before Tax Expense		**3,562.30**	3,301.84
Tax Expense:			
Current Tax		**736.12**	712.00
Excess Tax Provision reversed related to prior years		**(3.69)**	(33.97)
Deferred Tax		**374.15**	392.53
Total Tax Expense		**1,106.58**	1,070.56
Profit for the Year (III)		**2,455.72**	2,231.28
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss – Re-measurement Gain/(Loss) on defined benefit plan		**(14.93)**	37.65
(ii) Income Tax Relating to Items that will not be reclassified to Profit or Loss		**5.22**	(8.45)
B (i) Items that will be reclassified to Profit or Loss – Cash Flow Hedge		**(11.01)**	(3.46)
(ii) Income Tax Relating to Items that will be reclassified to Profit or Loss		**3.85**	3.57
Other Comprehensive Income for the year (IV)		**(16.87)**	29.31
Total Comprehensive Income for the year (III + IV)		**2,438.85**	2,260.59
Earnings Per Equity Share (Face Value ₹ 10 each)	42		
Basic (in ₹)		**89.48**	81.27
Diluted (in ₹)		**89.46**	81.25
Significant Accounting Policies	1		
The accompanying notes form an integral part of the Standalone Financial Statements.			

In terms of our report attached.

For and on behalf of the Board of Directors

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
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K.K. MAHESHWARI
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Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Mumbai: April 24, 2019

Standalone Statement of Changes in Equity for the year ended March 31, 2019

₹ in Crores

A. Equity Share Capital

For the year ended March 31, 2019

Balance as at April 01, 2018	Changes in Equity Share Capital during the Year	Balance as at March 31, 2019
274.61	0.03	274.64

For the year ended March 31, 2018

Balance as at April 01, 2017	Changes in Equity Share Capital during the Year	Balance as at March 31, 2018
274.51	0.10	274.61

B. Other Equity

For the year ended March 31, 2019

Particulars	Reserves & Surplus							Cash Flow Hedge Reserve	Total Other Equity
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve #	Treasury Shares @@	Retained Earnings		
Balance as at April 01, 2018	**170.72**	**69.67**	**324.17**	**20,030.41**	**17.29**	**-**	**5,042.79**	**(6.64)**	**25,648.41**
Profit for the year	-	-	-	-	-	-	2,455.72	-	**2,455.72**
Other Comprehensive Income/ (Loss) for the year									
Re-measurement Gain/(Loss) on defined benefit plan	-	-	-	-	-	-	(9.71) *	-	**(9.71)**
Effective portion of Gains/ (Loss) on hedging instruments	-	-	-	-	-	-	-	(7.16) @	**(7.16)**
Total Comprehensive Income/ (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,446.01**	**(7.16)**	**2,438.85**
Purchase of Treasury Shares	**-**	**-**	**-**	**-**	**-**	**(81.21)**	**-**	**-**	**(81.21)**
Contribution by and Distribution to Owners									
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(347.63) ##	-	**(347.63)**
Transfer to Retained Earnings	-	-	(100.00)	-	-	-	100.00	-	**-**
Transfer from Retained Earnings	-	-	142.08	1,800.00	-	-	(1,942.08)	-	**-**
Employees Stock Options Exercised	-	8.30	-	-	(3.77)	-	-	-	**4.53**
Employees Stock Options Granted	-	-	-	-	9.48	-	-	-	**9.48**
Total Contribution by and Distribution to Owners	**-**	**8.30**	**42.08**	**1,800.00**	**5.71**	**-**	**(2,189.71)**	**-**	**(333.62)**
Balance as at March 31, 2019	**170.72**	**77.97**	**366.25**	**21,830.41**	**23.00**	**(81.21)**	**5,299.09**	**(13.80)**	**27,672.43**

Net of Deferred Employees Compensation Expenses ₹ 38.02 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

* Net of Tax amounting to ₹ 5.22 Crores.

@ Net of Deferred Tax amounting to ₹ 3.85 Crores.

Dividend of ₹ 10.50/- per share and including Dividend Distribution Tax of ₹ 59.27 Crores.

Standalone Statement of Changes in Equity for the year ended March 31, 2019 (Continued)

₹ in Crores

For the year ended March 31, 2018

Particulars	Reserves & Surplus							Cash Flow Hedge Reserve	Total Equity
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve#	Treasury Shares	Retained Earnings		
Balance as at April 01, 2017	142.46	42.55	241.25	18,430.41	20.94	-	4,795.64	(6.75)	23,666.50
Profit for the year	-	-	-	-	-	-	2,231.28	-	2,231.28
Other Comprehensive Income/ (Loss) for the year									
Re-measurement Gain/(Loss) on defined benefit plan	-	-	-	-	-	-	29.20 *	-	29.20
Effective portion of Gains/ (Loss) on hedging instruments	-	-	-	-	-	-	-	0.11 @	0.11
Total Comprehensive Income/ (Loss) for the year	-	-	-	-	-	-	2,260.48	0.11	2,260.59
On Account of Business Combination (Refer note 37)	28.26 **	-	-	-	-	-	-	-	28.26
Contribution by and Distribution to Owners									
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(330.41)##	-	(330.41)
Transfer to Retained Earnings	-	-	(62.50)	-	-	-	62.50	-	-
Transfer from Retained Earnings	-	-	145.42	1,600.00	-	-	(1,745.42)	-	-
Employees Stock Options Exercised	-	27.12	-	-	(11.50)	-	-		15.62
Employees Stock Options Granted	-	-	-	-	7.85	-	-	-	7.85
Total Contribution by and Distribution to Owners	-	27.12	82.92	1,600.00	(3.65)	-	(2,013.33)	-	(306.94)
Balance as at March 31, 2018	170.72	69.67	324.17	20,030.41	17.29	-	5,042.79	(6.64)	25,648.41

Net of Deferred Employees Compensation Expenses ₹ 7.05 Crores.

* Net of Tax amounting to ₹ 8.45 Crores.

@ Net of Deferred Tax amounting to ₹ (3.57) Crores.

** Net of Deferred Tax amounting to ₹ 11.53 Crores.

Dividend of ₹ 10/- per share and including Dividend Distribution Tax of ₹ 55.89 Crores.

Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: April 24, 2019

For and on behalf of the Board of Directors

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Standalone Cash Flow Statement for the year ended March 31, 2019

₹ in Crores

	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A.	**Cash Flow from Operating Activities:**		
	Profit Before tax	**3,562.30**	3,301.84
	Adjustments for:		
	Depreciation and Amortisation	**2,010.27**	1,763.56
	Gain on Fair Valuation of Investments	**(120.36)**	(263.57)
	Gain on Fair Valuation of VAT Deferment Loan	**(45.49)**	(3.86)
	Gain on Fair Value movement in Derivative Instruments	**(1.66)**	(3.07)
	Compensation Expenses under Employees Stock Options Scheme	**9.48**	7.85
	Allowances for Credit Losses on Advances/Debts (net)	**11.43**	22.94
	Bad Debts Written-off	**0.66**	0.06
	Excess Provision written back (net)	**(50.91)**	(136.88)
	Provision for Mines Restoration - (Release)/Charge	**(6.69)**	30.53
	Interest and Dividend Income	**(175.89)**	(77.36)
	Finance Costs	**1,419.15**	1,191.15
	(Profit)/Loss on Sale/Retirement of Property, Plant and Equipment (net)	**(3.33)**	5.44
	Profit on Sale of Current and Non-Current Investments (net)	**(108.92)**	(114.81)
	Operating Profit before Working Capital Changes	**6,500.04**	5,723.82
	Movements in working capital:		
	Increase in Trade payables and other Liabilities	**1,116.72**	308.53
	Increase/(Decrease) in Provisions	**(10.60)**	169.25
	(Increase) in Trade receivables	**(394.08)**	(427.70)
	(Increase) in Inventories	**(172.12)**	(629.63)
	(Increase) in Financial and Other Assets	**(1,003.13)**	(687.52)
	Cash generated from Operations	**6,036.83**	4,456.75
	Taxes paid (net of refunds)	**(700.37)**	(839.07)
	Net Cash generated from Operating Activities (A)	**5,336.46**	3,617.68
B.	**Cash Flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	**(1,630.80)**	(1,938.00)
	Sale of Property, Plant and Equipment	**156.32**	108.38
	Expenditure for Cost of transfer of Assets	**(52.32)**	(6.16)
	Sale of Liquid Investment (net)	**108.92**	13.80
	Purchase of Investments	**(1,700.00)**	(3,960.23)
	Sale of Investments	**4,356.35**	5,574.22
	Investment in Non-Current Bank Fixed deposits	**(1.11)**	(1.23)
	Redemption/(Investment) in Other Bank deposits	**(69.07)**	2,031.45
	Investment in Subsidiaries/Joint Venture and Associates	**(3,407.70)**	(3.64)
	Investment in Preference Shares	**(20.00)**	-
	Redemption of Preference Shares	**20.00**	-
	Inter Corporate Deposit to Subsidiary (net)	**(1,799.75)**	-
	Dividend Received	**-**	13.68
	Interest Received	**144.04**	64.47
	Net Cash generated from/(used in) Investing Activities (B)	**(3,895.12)**	1,896.74

Standalone Cash Flow Statement for the year ended March 31, 2019 (Continued)

₹ in Crores

	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
C.	**Cash Flow from Financing Activities:**		
	Proceeds from Issue of Share Capital on Exercise of ESOS	**5.21**	15.72
	Purchase of Treasury Shares	**(81.21)**	-
	Repayment of Non-Current Borrowings	**(6,345.76)**	(6,160.09)
	Proceeds from Non-Current Borrowings	**7,100.41**	15,772.26
	Repayment of Current Borrowings (net)	**(45.09)**	(2,953.01)
	Repayment of Borrowings transferred from JAL and JCCL, pursuant to Scheme of Arrangement	**-**	(10,686.55)
	Interest Paid	**(1,373.17)**	(1,159.04)
	Dividend Paid Including Dividend Distribution Tax	**(346.16)**	(330.68)
	Net Cash used in Financing Activities (C)	**(1,085.77)**	(5,501.39)
	Net Increase in Cash and Cash Equivalents (A + B + C)	**355.57**	13.03
	Cash and Cash Equivalents at the beginning of the year	**63.91**	50.88
	Cash and Cash Equivalents at the end of the year (Refer Note 10)	**419.48**	63.91

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
2. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
3. The Scheme of arrangement between JAL, JCCL and the Company does not involve any cash outflow and the consideration has been discharged through issue of debentures and preference shares. (Refer Note 37)
4. Changes in liabilities arising from financing activities:

Particulars	As at March 31, 2018	Cashflows	Non Cash changes (Foreign Exchange rates)	As at March 31, 2019
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	14,731.67	754.65	(10.92)	**15,475.40**
Current Borrowing	2,687.83	(45.09)	-	**2,642.74**
	17,419.50	709.56	(10.92)	**18,118.14**

Significant Accounting Policies **Note 1**

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: April 24, 2019

For and on behalf of the Board of Directors

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Notes to Standalone Financial Statements

Note 1(A) Company Overview and Significant Accounting Policies:

Company Overview

UltraTech Cement Limited ("the Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is engaged in the manufacture and sale of Cement and Cement related products.

Significant Accounting Policies

(a) Statement of Compliance:

These standalone financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act''), amendments thereto and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on April 24, 2019.

(b) Basis of Preparation and Presentation:

Basis of Preparation

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

(i) Derivative Financial Instruments measured at fair value

(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

(iii) Assets held for disposal – measured at the lower of its carrying amount and fair value less costs to sell

(iv) Employee's Defined Benefit Plan as per actuarial valuation.

(v) Assets and liabilities acquired under Business Combination measured at fair value; and

(vi) Employee share based payments measured at fair value.

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

Functional and Presentation Currency

(i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, all other figures have been rounded off to the nearest ₹ in lakhs, unless otherwise stated.

Classification of Assets and Liabilities into Current/Non-Current

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

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

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

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

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs are included in the assets's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

(d) Expenditure during construction period:

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

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold Land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

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

No	Nature	Estimated Useful life
1	Buildings	3-60 Years
2	Plant & machinery	8-30 Years
3	Leasehold Land	Over the lease agreement
4	Office Equipment	4-7 Years
5	Furniture and Fixtures	7-12 Years
6	Mobile Phones	3 Years
7	Company Vehicles (other than those provided to the employees)	5-12 Years
8	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
9	Servers and Networks	3 Years
10	Stores and Spares in the nature of PPE	10-30 Years
11	Assets individually costing less than or equal to Rs.10,000	Fully Depreciated in the year of purchase

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

(f) Intangible Assets and Amortisation:

- **Internally generated Intangible Assets:**

  Expenditure pertaining to research is expensed out as and when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

- **Intangible Assets acquired separately:**

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

- **Class of intangible assets and their estimated useful lives / basis of amortisation are as under:**

No	Nature	Estimated Useful life / Basis of amortisation
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Mining Reserve	On the basis of mineral material extraction (proportion of mineral material extracted per annum to total estimated mining reserve)
4	Software	3 Years

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

To classify any asset or disposal groups (comprising assets and liabilities) as "Asset / Disposal groups held for sale" they must be available for immediate sale and its sale must be highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

(h) Impairment of Non-Financial Assets:

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(i) Inventories:

Inventories are valued as follows:

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

  Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

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

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

- **Waste / Scrap:**

  Waste / Scrap inventory is valued at NRV.

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

(j) Employee Share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For Stock Appreciation Rights ("SARs") which are cash-settled share-based payments, the fair value of liability is recognised for the services acquired over the period that the employees unconditionally become entitled to the payment. At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is re-measured based on the fair value of the SAR's and any changes in fair value of the liability are recognised in the Statement of Profit and Loss.

(k) Borrowing Costs:

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

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

(l) Government Grants:

Government grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

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

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

(m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

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

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

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

Contingent assets are not recognised or disclosed in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Mines Restoration Provision:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The costs are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

(o) Revenue Recognition:

(i) Revenue from Contracts with Customers

- Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised

will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(ii) Dividend income is accounted for when the right to receive the income is established.

(iii) Interest income is recognised using the Effective Interest Method.

(p) Lease :

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

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

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

(q) Employee benefits:

Gratuity

The gratuity, a defined benefit plan, payable to the employees is based on the Employees' service and last drawn salary at the time of the leaving of the services of the Company and is in accordance with the Rules of the Company for payment of Gratuity. Liability with regards to gratuity plan is determined using the projected unit credit method, with actuarial valuations being carried out by a qualified independent actuary at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

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

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Superannuation

Certain employees of the Company are eligible for participation in defined contribution plans such as superannuation and national pension fund. Contributions towards these funds are recognized as an expense periodically based on the contribution by the Company, since Company has no further obligation beyond its periodic contribution.

Provident Fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, which is a defined benefit plan, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. The Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

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

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. Re-measurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

(r) Income Taxes:

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

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

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 tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

(s) Earnings Per Share:

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

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

(t) Foreign Currency transactions:

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

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations which are recognised in OCI.

(u) Investment in Subsidiaries, Associates and Joint Ventures:

The Company's investment in its subsidiaries, associates and Joint Ventures are carried at cost net of accumulated impairment, if any.

On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

(v) Financial Instruments:

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

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

Fair Value through OCI:

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

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

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

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

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

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL.

Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

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

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

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain significant financing component and as per simplified approach, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Derecognition of financial assets and financial liabilities:

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial Guarantee Contract Liabilities:

Financial Guarantee Contract Liabilities are disclosed in financial statements in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

(w) Cash and cash equivalents:

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

(x) Financial liabilities and equity instruments:

- **Classification as debt or equity**

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

- **Equity instruments**

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

(y) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cashflow hedge.

(z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

(aa) Segment Reporting - Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(bb) Business Combination:

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Note 1(B) Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Critical judgments in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the standalone financial statements.

Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

(b) **Key assumptions:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) **Useful Lives of Property, Plant & Equipment and Intangible Assets:**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets. In case of certain mining rights the amortisation is based on the extracted quantity to the total mineral reserve.

(ii) **Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) **Defined benefit plans:**

The cost of the defined benefit gratuity plan, provident fund and other post-employment medical benefits and the present value of the gratuity and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) **Mines Restoration Obligation:**

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) **Share-based payments:**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model and cash settled transactions with employees using Binomial Tree model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

(vi) **Business Combination:**

(a) **Fair Valuation of Intangibles:**

The Company has used royalty saved method for value analysis of limestone mining rights. The method estimates the value of future savings in royalty payments over the life of the mine accruing to the Company, by virtue of the transaction instead of obtaining the mining rights via the Government e-auction process.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk of achieving the mine's projected savings.

(b) **Fair Valuation of Tangibles:**

Freehold land:

Freehold land was valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by department of revenue and general market intelligence based on the size of land parcel.

Leasehold land:

Leasehold land was valued basis the leasehold interest for the remaining duration of the lease.

Other Assets:

The cost approach has been adopted for fair valuing all the assets except vehicles which have been measured at the old book values less depreciation.

The cost approach includes calculation of depreciated replacement cost using price trends applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognized sources such as the RBI/ OEA or market intelligence. In the case of buildings in cement plants, appropriate weightages have been applied to cement, iron & steel and labour indices to arrive at the escalation factor and depreciating the same for past usage based on estimated total and remaining useful life of the asset.

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 2: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation and Amortisation				Net Block
	As at April 01, 2018	Additions	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2019	As at April 01, 2018	For the year	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2019	As at March 31, 2019
A. Tangible Assets *									
Land:									
Freehold Land	5,310.96	121.53	(10.67)	**5,443.16**	-	-	-	**-**	**5,443.16**
Leasehold Land	930.03	74.98	127.63	**877.38**	47.38	46.89	7.12	**87.15**	**790.23**
Buildings	4,206.55	203.88	58.41	**4,352.02**	412.12	172.01	3.23	**580.90**	**3,771.12**
Railway Sidings	653.08	39.75	0.03	**692.80**	98.27	44.17	-	**142.44**	**550.36**
Plant and Equipment:									
Own	26,698.11	1,669.68	2.55	**28,365.24**	3,277.35	1,548.45	16.33	**4,809.47**	**23,555.77**
Given on Lease	142.38	-	0.64	**141.74**	37.39	10.06	-	**47.45**	**94.29**
Office Equipment	148.99	36.81	14.11	**171.69**	84.40	28.45	12.40	**100.45**	**71.24**
Furniture and Fixtures	70.49	10.81	1.10	**80.20**	38.01	12.45	0.73	**49.73**	**30.47**
Vehicles	82.74	26.31	9.74	**99.31**	29.43	16.35	5.50	**40.28**	**59.03**
Total Tangible Assets	**38,243.33**	**2,183.75**	**203.54**	**40,223.54**	**4,024.35**	**1,878.83**	**45.31**	**5,857.87**	**34,365.67**
B. Capital Work-in-Progress									**1,075.85**
C. Intangible Assets									
Software	52.75	10.13	-	**62.88**	42.13	7.87	-	**50.00**	**12.88**
Mining Rights	160.53	14.97	0.11	**175.39**	12.18	10.14	0.04	**22.28**	**153.11**
Mining Reserve	2,715.87	-	-	**2,715.87**	39.07	66.61	-	**105.68**	**2,610.19**
Jetty Rights	182.86	-	-	**182.86**	26.77	7.86	5.31	**29.32**	**153.54**
Total Intangible Assets	**3,112.01**	**25.10**	**0.11**	**3,137.00**	**120.15**	**92.48**	**5.35**	**207.28**	**2,929.72**
D. Intangible Assets under Development									**3.80**
Total Assets (A + B + C + D)	**41,355.34**	**2,208.85**	**203.65**	**43,360.54**	**4,144.50**	**1,971.31**	**50.66**	**6,065.15**	**38,375.04**

* Net Block of Tangible Assets, amounting to ₹ 17,961.06 Crores (March 31, 2018 ₹ 14,787.09 Crores) are pledged as security against the Secured Borrowings.

Particulars	Gross Block					Depreciation and Amortisation				Net Block
	As at April 01, 2017	Additions on acquisition	Additions	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2018	As at April 01, 2017	For the year	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2018	As at March 31, 2018
A. Tangible Assets										
Land										
Freehold Land	3,429.91	1,795.74	139.64	54.33	5,310.96	-	-	-	-	5,310.96
Leasehold Land	234.68	656.08	42.72	3.45	930.03	21.02	27.42	1.06	47.38	882.65
Buildings	2,654.42	1,388.03	182.87	18.77	4,206.55	260.49	155.78	4.15	412.12	3,794.43
Railway Sidings	444.14	80.64	128.30	-	653.08	58.64	39.63	-	98.27	554.81
Plant and Equipment:										
Own	18,142.98	7,747.57	847.07	39.51	26,698.11	1,912.52	1,375.02	10.19	3,277.35	23,420.76
Given on Lease	143.43	-	-	1.05	142.38	28.83	8.56	-	37.39	104.99
Office Equipment	113.84	6.25	30.07	1.17	148.99	58.42	26.69	0.71	84.40	64.59
Furniture and Fixtures	62.24	2.19	6.64	0.58	70.49	26.01	12.37	0.37	38.01	32.48
Vehicles	54.31	13.19	20.17	4.93	82.74	15.79	15.96	2.32	29.43	53.31
Total Tangible Assets	25,279.95	11,689.69	1,397.48	123.79	38,243.33	2,381.72	1,661.43	18.80	4,024.35	34,218.98
B. Capital Work-in-Progress										1,472.97
C. Other Intangible Assets										
Software	48.42	0.01	4.33	0.01	52.75	32.42	9.72	0.01	42.13	10.62
Mining Rights	162.89	-	8.22	10.58	160.53	9.31	4.62	1.75	12.18	148.35
Mining Reserve	-	2,715.87	-	-	2,715.87	-	39.07	-	39.07	2,676.80
Jetty Rights	182.86	-	-	-	182.86	18.91	7.86	-	26.77	156.09
Total Other Intangible Assets	394.17	2,715.88	12.55	10.59	3,112.01	60.64	61.27	1.76	120.15	2,991.86
D. Intangible Assets under Development										0.91
Total Assets (A+B+C+D)	25,674.12	14,405.57	1,410.03	134.38	41,355.34	2,442.36	1,722.70	20.56	4,144.50	38,684.72

₹ in Crores

NOTE 2: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (Continued)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A. Depreciation and Amortisation for the year	**1,971.31**	1,722.70
Add: Obsolescence (Including impairment of ₹ 18.63 Crores (March 31, 2018 ₹ 27.39 Crores) towards Assets classified as held for disposal) (Refer Note 53)	**39.21**	42.92
Less: Depreciation transferred to Pre-operative Expenses	**(0.25)**	(2.06)
Depreciation as per Statement of Profit and Loss	**2,010.27**	1,763.56

B. 1. Tangible Assets include assets for which ownership is not in the name of the Company - Gross Block of ₹ 359.08 Crores (March 31, 2018 ₹ 398.84 Crores).

2. Buildings include ₹ 12.13 Crores (March 31, 2018 ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

3. Opening Gross Block includes Research and Development Assets (Building, Plant and Equipment, Furniture and Fixtures, Office Equipment and Intangible Assets) of ₹ 34.64 Crores (March 31, 2018 ₹ 33.63 Crores) and Net Block of ₹ 23.15 Crores (March 31, 2018 ₹ 25.84 Crores). Addition for the Research and Development Assets during the year is ₹ 9.92 Crores (March 31, 2018 ₹ 0.85 Crores).

4. Title of immovable properties having Gross Block of ₹ 2,869.26 Crores (March 31, 2018 ₹ 3,037.86 Crores) and Net Block of ₹ 2,786.23 Crores (March 31, 2018 ₹ 2,993.98 Crores) is yet to be transferred in the name of the Company.

5. **The amount of expenditures recognised in the carrying amount of an item of PPE in the course of its construction:**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Pre-operative expenses pending allocation:		
Raw Materials Consumed	**0.39**	0.92
Power and Fuel Consumed	**8.56**	7.32
Salary, Wages, Bonus, Ex-gratia and Provisions	**6.63**	24.11
Insurance	**0.06**	1.38
Depreciation	**0.25**	2.06
Finance Costs	**6.45**	2.44
Miscellaneous expenses	**17.63**	9.89
Total Pre-operative expenses	**39.97**	48.12
Less: Sale of Products/Other Income	**(1.38)**	-
Less: Trial Run production transferred to Inventory	**(8.46)**	(6.60)
Add: Brought forward from Previous Year	**85.65**	74.50
Less: Capitalised/Charged during the Year	**(83.26)**	(30.37)
Balance included in Capital Work-in-Progress	**32.52**	85.65

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 3: INVESTMENTS

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
Unquoted:				
Investments measured at Cost:				
Equity Instruments:				
Subsidiaries:				
Face value of ₹ 10 each fully paid:				
Dakshin Cements Limited	**50,000**	**0.05**	50,000	0.05
Harish Cement Limited	**247,217**	**153.93**	247,217	153.93
Bhagwati Lime Stone Company Private Limited	**11,900**	**13.03**	11,900	13.03
Gotan Lime Stone Khanij Udyog Private Limited (Refer Note 34)	**2,315,780**	**184.48**	2,315,780	184.48
UltraTech Nathdwara Cement Limited (Refer Note 35) *	**3,400,000,000**	**3,429.20**	-	-
Face value of ₹ 10 each partly paid:				
Gotan Lime Stone Khanij Udyog Private Limited (Refer Note 34)	**23,000**	**0.98**	23,000	0.98
Harish Cement Limited	**384**	**0.15**	-	-
Face Value of Sri Lankan Rupee 10 each fully paid:				
UltraTech Cement Lanka (Private) Limited	**40,000,000**	**23.03**	40,000,000	23.03
Face Value of UAE Dirham 10 each fully paid:				
UltraTech Cement Middle East Investments Limited	**25,128,890**	**345.37**	25,128,890	345.37
Face Value of Indonesian Rupiah 8,923 each fully paid:				
PT UltraTech Mining Indonesia	**987,069**	**4.75**	987,069	4.75
Face Value of Indonesian Rupiah 9,163 each fully paid:				
PT UltraTech Investment Indonesia	**1,900,000**	**11.46**	1,900,000	11.46
Less: Provision for Impairment in value of Investment in both Indonesian Subsidiaries		**(13.69)**		(13.69)
		4,152.74		723.39
Joint Ventures:				
Face value of ₹ 10 each fully paid:				
Bhaskarpara Coal Company Limited	**8,141,050**	**8.14**	8,141,050	8.14
Less: Provision for Impairment in value of Investment		**(1.65)**		(1.65)
		6.49		6.49
Associates:				
Face value of ₹ 10 each fully paid:				
Madanpur (North) Coal Company (P) Limited	**1,152,560**	**1.15**	1,152,560	1.15
Less: Provision for Impairment in value of Investment		**(0.22)**		(0.22)
		0.93		0.93
Aditya Birla Renewables SPV 1 Limited	**10,852,442**	**10.85**	3,523,520	3.52

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 3: INVESTMENTS (Continued)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
Investments measured at Fair value through Profit or Loss:				
Equity Instruments:				
Face value of ₹ 10 each fully paid:				
Raj Mahal Coal Mining Limited	**1,000,000**	**1.00**	1,000,000	1.00
Green Infra Wind Power	**120,000**	**0.12**	144,000	0.14
NU Power Wind Farm	**39,548**	**0.04**	39,548	0.04
Watsun Infrabuild Private Limited	**203,115**	**0.24**	-	-
		1.40		1.18
Preference Shares:				
4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	**-**	**-**	2,000,000	15.30
7% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	**2,000,000**	**16.00**	-	-
Units of Debt schemes of Various Mutual Funds		**890.35**		889.25
		5,078.76		1,640.06
Quoted:				
Investments measured at Fair value through Profit or Loss:				
Tax free Bonds		**356.40**		362.74
Taxable Corporate Bonds		**114.50**		211.39
		5,549.66		2,214.19
Aggregate Book Value of:				
Quoted Investments		**470.90**		574.13
Unquoted Investments		**5,078.76**		1,640.06
		5,549.66		2,214.19
Aggregate Market Value of Quoted Investments		**470.90**		574.13
Aggregate amount of impairment in value of investment		**15.56**		15.56

* Includes waiver of preference dividend of ₹ 29.20 Crores considered as deemed investment.

₹ in Crores

NOTE 4: LOANS

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Considered good, Secured:				
Loans against House Property (Secured by way of title deeds)	**0.01**	0.01	**-**	0.01
Considered good, Unsecured:				
Security Deposits	**97.16**	106.52	**112.44**	100.20
Loans to Related Parties (Refer Note 40)	**-**	-	**1,799.75**	2.86
Loans to Employees	**12.60**	8.62	**7.30**	7.95
	109.77	115.15	**1,919.49**	111.02

Note 4.1: Disclosure of Loans and Advances given to subsidiaries as per Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013:

Name of the Subsidiary Companies	Amount Outstanding as at		Maximum Balance Outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Ultratech Nathdwara Cement Limited (avg. interest rate 3M MCLR+15 bps) (For discharging the liabilities in UNCL upon its acquisition)	**1,799.75**	-	**1,834.75**	-	**-**	-

NOTE 5: OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Derivative Assets	**19.99**	1.00	**-**	37.07
Interest Accrued on Deposits and Investment	**-**	-	**16.19**	18.24
Fixed Deposits with Bank with Maturity Greater than twelve Months*	**17.95**	16.84	**-**	-
Government Grants Receivable	**-**	-	**713.33**	430.30
Others (Includes Insurance Claims, Railway Claims and Other Receivables)	**-**	-	**112.98**	11.79
	37.94	17.84	**842.50**	497.40

* Lodged as Security with Government Departments.

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 6: OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	**1,848.44**	2,126.38
Less: Provision for Impairment	**(30.58)**	(29.18)
	1,817.86	2,097.20
Balance with Government Authorities	**939.36**	516.46
Prepaid Expenses	**0.92**	1.50
	2,758.14	2,615.16

NOTE 7: INVENTORIES (Valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials {includes in transit ₹ 42.65 Crores, (March 31, 2018: ₹ 17.13 Crores)}	**337.19**	276.74
Work-in-Progress	**629.04**	594.15
Finished Goods {includes in transit ₹ 25.61 Crores, (March 31, 2018: ₹ 8.14 Crores)}	**338.71**	280.52
Stock-in-trade	**30.35**	11.11
Stores & Spares {includes in transit ₹ 2.26 Crores, (March 31, 2018: ₹ 5.04 Crores)}	**937.06**	858.51
Fuel {includes in transit ₹ 430.99 Crores, (March 31, 2018: ₹ 381.98 Crores)}	**936.75**	1,001.00
Packing Materials {includes in transit ₹ 0.24 Crores, (March 31, 2018: ₹ 0.06 Crores)}	**57.04**	71.09
Scrap (valued at net realisable value)	**7.48**	8.38
	3,273.62	3,101.50

The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision for the year ₹ 18.17 Crores (March 31, 2018 ₹ Nil Crores).

NOTE 8: CURRENT INVESTMENTS – OTHERS

Particulars	As at March 31, 2019	As at March 31, 2018
Investments measured at Fair value through Profit or Loss:		
Quoted:		
Taxable Corporate Bonds	**57.54**	-
Unquoted:		
Units of Debt Schemes of Various Mutual Funds	**1,457.31**	3,948.71
	1,514.85	3,948.71
Aggregate Book Value of:		
Quoted Investments	**57.54**	-
Unquoted Investments	**1,457.31**	3,948.71
	1,514.85	3,948.71
Aggregate Market Value of Quoted Investments	**57.54**	-

₹ in Crores

NOTE 9: TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good, Secured	423.40	323.53
Considered good, Unsecured	1,674.19	1,390.67
Significant increase in Credit Risk	51.53	41.50
	2,149.12	1,755.70
Less: Allowances for credit losses	(51.53)	(41.50)
	2,097.59	1,714.20

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks (Current Account)	361.61	28.70
Cheques on hand	56.74	34.19
Cash on hand	1.13	1.02
	419.48	63.91

NOTE 11: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits with Banks *(Maturity more than three months and upto twelve months)	194.21	126.61
Earmarked Balance with Bank for Unpaid Dividends	10.27	8.80
	204.48	135.41

* Lodged as security with Government Departments ₹ 1.66 Crores (March 31, 2018 ₹ 0.51 Crores). Earmarked for specific purpose ₹ 192.55 Crores (March 31, 2018 ₹ 126.10 Crores).

NOTE 12: OTHER CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to related parties (Refer Note 40)	65.91	5.80
Advances to Employees	4.54	3.92
Balance with Government Authorities	485.31	422.26
Advances to Suppliers	495.02	435.14
Prepaid Expenses	29.82	23.69
Others (Receivable from Gratuity Trust and Other Receivables)	70.93	80.30
	1,151.53	971.11

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 13 (a): EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 10 each	**280,000,000**	**280.00**	280,000,000	280.00
Issued, Subscribed and Fully Paid-up				
Equity Shares of ₹ 10 each fully paid-up	**274,642,720**	**274.64**	274,613,985	274.61
(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year				
Outstanding at the beginning of the year	**274,613,985**	**274.61**	274,507,906	274.51
Add: Shares issued under Employees Stock Options Scheme (ESOS)	**28,735**	**0.03**	106,079	0.10
Outstanding at the end of the year	**274,642,720**	**274.64**	274,613,985	274.61
(b) Shares held by Holding Company				
Grasim Industries Limited	**165,335,150**	**165.34**	165,335,150	165.34
(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital	**No. of Shares**	**% Holding**	No. of Shares	% Holding
Grasim Industries Limited	**165,335,150**	**60.20%**	165,335,150	60.21%
	No. of Shares	**Amount**	No. of Shares	Amount
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	**316,974**	**0.32**	144,499	0.14
(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date				
Equity Shares of ₹ 10 each issued in the financial year 2014-2015 as fully paid up to the shareholders of Jaypee Cement Corporation Ltd (JCCL), pursuant to the Scheme of Arrangement	**141,643**	**0.14**	141,643	0.14

(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(g) Pursuant to the Scheme of Amalgamation of SCL with the Company in the year 2014, the Company issued 149,533,484 Equity Shares of ₹ 10 each issued as fully paid up, for a consideration other than cash, to the shareholders of erstwhile Samruddhi Cement Limited (SCL). {Excluding issue of 8,503 Equity Shares kept in abeyance against shares of Grasim Industries Limited}.

₹ in Crores

NOTE 13 (b): OTHER EQUITY

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	**170.72**	170.72
Securities Premium	**77.97**	69.67
Debenture Redemption Reserve	**366.25**	324.17
General Reserve	**21,830.41**	20,030.41
Share option outstanding reserve	**23.00**	17.29
Treasury Shares	**(81.21)**	-
Retained Earnings	**5,299.09**	5,042.79
Cash Flow Hedge Reserve	**(13.80)**	(6.64)
Total Other Equity	**27,672.43**	25,648.41

The Description of the nature and purpose of each reserve within equity is as follows:

(a) **Capital Reserve:** Company's capital reserve is mainly on account of acquisition of cement business of Larsen & Toubro Ltd., Gujarat Units of JCCL and cement capacities of 21.2 MTPA of Jaiprakash Associates Ltd (JAL) and JCCL, being excess of the net assets acquired over the consideration paid.

(b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

(c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.

(d) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

(e) **Shares Options Outstanding Reserve:** The Company has three share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 45 for further details of these plans.

(f) **Treasury Shares:** The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

(g) **Cashflow Hedge Reserve:** The Company has designated its hedging instruments obtained after April 01, 2015 as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

₹ in Crores

NOTE 14: NON-CURRENT BORROWINGS

Particulars	Non-Current		Current Maturities of Long-Term debts *	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Secured:				
Non-Convertible Debentures – Note (a1)	**1,050.00**	1,525.00	**475.00**	400.00
Term Loans from Banks:				
In Foreign Currency – Note (b1)	**345.78**	325.88	**-**	260.70
In Local Currency – Note (c)	**11,483.38**	10,489.00	**5.62**	-
	11,829.16	10,814.88	**5.62**	260.70
Sales Tax Deferment Loan – Note (d1)	**142.40**	-	**31.87**	-
	13,021.56	12,339.88	**512.49**	660.70
Unsecured:				
Non-Convertible Debentures – Note (a2)	**1,010.00**	650.00	**-**	-
Term Loans from Banks:				
In Foreign Currency - Note (b2)	**666.85**	628.47	**-**	162.94
Sales Tax Deferment Loan – Note (d2)	**240.87**	260.01	**23.63**	29.67
	1,917.72	1,538.48	**23.63**	192.61
	14,939.28	13,878.36	**536.12**	853.31

* Amount disclosed under the head 'Other Financial Liabilities' (Refer Note 15).

(a1) Non-Convertible Debentures (NCDs):

Particulars	As at March 31, 2019	As at March 31, 2018
Secured:		
7.53% NCDs (Redeemable at par on August 21, 2026)	**500.00**	500.00
7.15% NCDs (Redeemable at par on October 18, 2021)	**300.00**	300.00
7.57% NCDs (Redeemable at par on August 06, 2021)	**250.00**	250.00
7.57% NCDs (Redeemable at par on August 13, 2019)	**300.00**	300.00
7.57% NCDs (Redeemable at par on August 08, 2019)	**175.00**	175.00
7.85% NCDs (Redeemable at par on December 18, 2018)	-	200.00
7.84% NCDs (Redeemable at par on April 09, 2018)	-	200.00
	1,525.00	1,925.00
Less: Current Portion of NCDs shown under Other Financial Liabilities	**(475.00)**	(400.00)
	1,050.00	1,525.00

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

₹ in Crores

NOTE 14: NON-CURRENT BORROWINGS (Continued)

(a2) Non-Convertible Debentures (NCDs):

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured:		
6.93% NCDs (Redeemable at par on November 25, 2021)	**250.00**	250.00
6.99% NCDs (Redeemable at par on November 24, 2021)	**400.00**	400.00
8.36% NCDs (Redeemable at par on June 07, 2021)	**360.00**	-
	1,010.00	650.00

(b1) Term Loans from Banks in Foreign Currency:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Secured:			
State Bank of India, New York [@]			
(US Dollar: 1.00 Crores; March 31, 2018: 1.00 Crores)	March 2023	**69.16**	65.18
State Bank of India, New York [@]			
(US Dollar: 2.00 Crores; March 31, 2018: 2.00 Crores)	February 2023	**138.31**	130.35
State Bank of India, New York [@]			
(US Dollar: 2.00 Crores; March 31, 2018: 2.00 Crores)	February 2023	**138.31**	130.35
HSBC Bank (Mauritius) Ltd., Mauritius			
(US Dollar: Nil; March 31, 2018: 4.00 Crores)	Repaid in February 2019	**-**	260.70
		345.78	586.58
Less: Current Portion of Foreign Currency Loans shown under Other Financial Liabilities		**-**	(260.70)
		345.78	325.88

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders/trustees.

[@] Initially availed from J P Morgan Chase Bank N.A., Singapore; transferred to State Bank of India, New York in August 2018 by the lender.

(b2) Term Loans from Banks in Foreign Currency:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Unsecured:			
Export Development, Canada (US Dollar: 4.64 Crores; March 31, 2018: 4.64 Crores)	June 2021	**321.08**	302.60
Export Development, Canada (US Dollar: 5.00 Crores; March 31, 2018: 5.00 Crores)	May 2021	**345.77**	325.87
Bank of America N.A., Taiwan (US Dollar: Nil; March 31, 2018: 2.50 Crores)	Repaid in October 2018	**-**	162.94
		666.85	791.41
Less: Current Portion of Foreign Currency Loans shown under Other Financial Liabilities		**-**	(162.94)
		666.85	628.47

₹ in Crores

NOTE 14: NON-CURRENT BORROWINGS (Continued)

(c) Term Loans from Banks in Local Currency:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Secured:			
Axis Bank Ltd	26 quarterly instalments beginning December 2022	**757.08**	2,664.71
ICICI Bank Ltd	28 quarterly instalments beginning December 2022	**614.00**	2,000.00
HDFC Bank Ltd	60 quarterly instalments beginning September 2022	**3,317.92**	3,317.92
Axis Bank Ltd	Repaid in February 2019	**-**	592.37
ICICI Bank Ltd	Repaid in February 2019	**-**	1,614.00
State Bank of India	4 Half yearly instalments beginning May 2022	**300.00**	300.00
State Bank of India @	60 quarterly instalments beginning September 2022	**5,000.00**	-
HDFC Bank Ltd @	76 quarterly instalments beginning February 2020	**1,500.00**	-
		11,489.00	10,489.00
Less: Current Portion of Term Loans shown under Other Financial Liabilities		**(5.62)**	-
		11,483.38	10,489.00

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders/trustees.

@ The Company is in the process of creating Security against the loan.

(d1) Sales Tax Deferment Loan:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Secured:			
Uttar Pradesh Financial Corporation	Varied Annual Payments from August 2019 to December 2024	**174.27**	-
Less: Current Portion of Sales Tax Deferment loan shown under Other Financial Liabilities		**(31.87)**	-
		142.40	-

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and Book debts of the Company.

(d2) Sales Tax Deferment Loan:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Unsecured:			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to March 2022	**63.69**	64.26
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	**196.68**	221.29
Commercial Tax Department, Chhattisgarh	Payable in FY 2020	**4.13**	4.13
		264.50	289.68
Less: Current Portion of Sales tax deferment loan shown under Other Financial Liabilities		**(23.63)**	(29.67)
		240.87	260.01

₹ in Crores

NOTE 15: OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term debts (Refer Note 14)	-	-	**536.12**	853.31
Interest Accrued but not due on Borrowings	-	-	**188.01**	161.94
Derivative Liability	-	28.27	-	-
Liability for Capital Goods	-	-	**177.22**	238.83
Security Deposits	-	-	**1,334.83**	1,224.98
Salaries, Wages, Bonus and Other Employee Payables	-	-	**197.20**	178.93
Investor Education and Protection Fund, will be credited with the following amounts (as and when due) Unpaid Dividends	-	-	**10.28**	8.81
	-	28.27	**2,443.66**	2,666.80

NOTE 16: PROVISIONS

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits:				
For Employee Benefits (Refer Note 38)	**5.36**	7.20	**221.59**	214.51
Others:				
For Mines Restoration Expenditure	**130.22**	129.58	-	-
For Cost of transfer of Assets	-	-	**217.58**	270.81
	135.58	136.78	**439.17**	485.32

Note 16.1: Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

(a) Mines Restoration Expenditure:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**129.58**	91.75
Add: Provision during the year	**(6.69)**	30.53
Add: Unwinding of discount on Mine Restoration Provision	**7.33**	7.30
Closing Balance	**130.22**	129.58

(b) Provision for Cost of Transfer of Assets:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**270.81**	133.97
Add: Provision during the year	-	226.28
Less: Utilisation during the year	**(53.23)**	(89.44)
Closing Balance	**217.58**	270.81

₹ in Crores

NOTE 17: DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:					
MAT Credit Entitlement	**(1,365.60)**	(1,168.40)	**(197.20)**	-	-
Provision allowed under tax on payment basis	**(162.56)**	(166.35)	**3.79**	-	-
Others	**(111.55)**	(103.01)	**(4.69)**	**(3.85)**	-
	(1,639.71)	(1,437.76)	**(198.10)**	**(3.85)**	-
Deferred Tax Liabilities:					
Tangible and Intangible Assets	**5,135.76**	4,487.87	**647.89**	-	-
Fair valuation of Investments	**30.77**	117.05	**(86.28)**	-	-
Others	**17.53**	6.89	**10.64**	-	-
	5,184.06	4,611.81	**572.25**	-	-
Net Deferred Tax Liability	**3,544.35**	3,174.05	**374.15**	**(3.85)**	-

Particulars	As at March 31, 2018	As at March 31, 2017	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:					
MAT Credit Entitlement	(1,168.40)	(838.12)	(330.28)	-	-
Provision allowed under tax on payment basis	(166.35)	(158.55)	(7.80)	-	-
Others	(103.01)	(103.51)	4.07	(3.57)	-
Unabsorbed depreciation/losses	-	(56.45)	56.45	-	-
	(1,437.76)	(1,156.63)	(277.56)	(3.57)	-
Deferred Tax Liabilities:					
Tangible and Intangible Assets	4,487.87	3,785.11	691.23	-	11.53
Fair valuation of Investments	117.05	144.07	(27.02)	-	-
Others	6.89	1.01	5.88	-	-
	4,611.81	3,930.19	670.09	-	11.53
Net Deferred Tax Liability	3,174.05	2,773.56	392.53	(3.57)	11.53

In respect of Deferred taxes, all items are attributable to origination and reversal of temporary differences.

Deferred tax benefits are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which, those deductible temporary differences can be realised.

₹ in Crores

NOTE 18: OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Income on Government Grants	**4.33**	4.50
Others	**1.94**	2.07
	6.27	6.57

NOTE 19: CURRENT BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured:		
Redeemable preference shares issued on Business Combination (Refer Note 37)	**1,000.10**	1,000.10
Loans repayable on demand:		
From Banks - Cash Credits/Working Capital Borrowings	**0.18**	694.86
Others:		
From Banks (includes commercial paper)	**846.23**	496.82
From Others (commercial paper)	**796.23**	496.05
	2,642.74	2,687.83

NOTE 20: TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables (other than Micro and Small Enterprises)	**2,628.02**	2,214.03
Due to Related Parties (Refer Note 40)	**5.44**	0.40
	2,633.46	2,214.43

NOTE 21: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from Customers and Others	**247.21**	300.35
Deferred Income on Government Grants	**0.17**	0.17
Others (including Provision for Expenses, Statutory liabilities)	**2,981.12**	2,419.57
	3,228.50	2,720.09

₹ in Crores

NOTE 22: REVENUE FROM OPERATIONS (Refer Note 55 and 58)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018
Sale of Products and Services			
Sale of Manufactured Products	32,914.44		28,803.46
Sale of Traded Products	2,188.95		1,004.48
Sale of Services	1.37		16.28
		35,104.76	29,824.22
Other Operating Revenues			
Scrap Sales	68.52		57.61
Lease Rent	0.02		0.06
Insurance Claim	15.55		18.44
Provisions no longer required written back	24.27		9.23
Unclaimed Liabilities written back	26.42		23.23
Government Grants (Refer Note 52)	443.92		304.58
Miscellaneous Income/Receipts	20.04		14.38
		598.74	427.53
		35,703.50	30,251.75

NOTE 23: OTHER INCOME

Particulars	Year ended March 31, 2019		Year ended March 31, 2018
Interest Income on			
Government and Other Securities	24.90		34.65
Bank and Other Accounts	128.54		29.03
		153.44	63.68
Dividend Income on			
Current Investments - Mutual Fund	22.45		-
Non-Current Investment - From a Subsidiary Company	-		13.68
		22.45	13.68
Exchange Gain (net)		43.00	30.14
Profit on Sale of Property, plant and equipment (net)		3.33	-
Fair Value movement in Derivative Instruments		1.66	3.07
Gain on Fair valuation of Investments through Profit or Loss		120.36	263.57
Profit on Sale of Current and Non-Current Investments (net)		108.92	114.81
Provision no Longer required written back (Refer Note 59)		0.22	104.42
Others		18.07	6.18
		471.45	599.55

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 24: COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Stock	**276.74**	229.10
Add: Stock transferred from JAL and JCCL, pursuant to Scheme of Arrangement	**-**	8.72
Purchases	**4,797.67**	4,017.28
	5,074.41	4,255.10
Less: Closing Stock	**337.19**	276.74
	4,737.22	3,978.36

NOTE 25: PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Grey Cement	**1,161.49**	434.16
Others (UltraTech Building Solution)	**420.86**	380.21
	1,582.35	814.37

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Closing Inventories		
Work-in-progress	**629.04**	594.15
Finished Goods	**338.71**	280.52
Stock in Trade	**30.35**	11.11
	998.10	885.78
Opening Inventories		
Work-in-progress	**594.15**	407.74
Finished Goods	**280.52**	345.27
Stock in Trade	**11.11**	-
	885.78	753.01
(Increase)/Decrease in Inventories	**(112.32)**	(132.77)
Add: Stock transferred from JAL and JCCL, pursuant to Scheme of Arrangement	**-**	66.79
(Less): Reversal in Excise Duty on Inventories	**-**	(53.70)
Add: Stock Transfer from Pre-Operative Account	**8.46**	6.60
	(103.86)	(113.08)

₹ in Crores

NOTE 27: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, Wages and Bonus	**1,725.04**	1,525.06
Contribution to Provident and Other Funds:		
Contribution to Gratuity and Other Defined Benefit Plans	**82.27**	88.96
Contribution to Superannuation and Other Defined Contribution Funds	**19.71**	11.72
Expenses on Employees Stock Options Scheme	**9.48**	7.85
Staff Welfare Expenses	**89.51**	72.65
	1,926.01	1,706.24

NOTE 28: FINANCE COSTS

Particulars	Year ended March 31, 2019		Year ended March 31, 2018
Interest Expense:			
On Borrowings (at amortised cost)	**1,310.52**		1,107.22
Others (including interest on deposits from dealers and contractors)	**106.37**		73.41
Interest paid to Income Tax Department	**0.23**		4.85
Unwinding of discount on Mine Restoration Provision	**7.33**		7.30
		1,424.45	1,192.78
Other Borrowing Cost (Finance Charges)		**1.15**	0.81
Less: Finance Costs Capitalised		**(6.45)**	(2.44)
		1,419.15	1,191.15

Borrowing costs are capitalised using rates based on specific borrowings ranging from 7.34% to 7.88% per annum. (For the year ended March 31, 2018: 7.50% to 9.15% per annum)

NOTE 29: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation	**1,878.58**	1,659.37
Amortisation	**92.48**	61.27
Obsolescence	**39.21**	42.92
	2,010.27	1,763.56

NOTE 30: FREIGHT AND FORWARDING EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
On Finished Products	**7,244.66**	6,032.28
On Clinker Transfer	**1,537.62**	1,249.35
	8,782.28	7,281.63

₹ in Crores

NOTE 31: OTHER EXPENSES

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of Stores, Spare Parts and Components	**714.16**	683.11
Consumption of Packing Materials	**1,105.55**	921.44
Repairs to Plant and Machinery, Buildings and Others	**685.52**	602.74
Insurance	**60.67**	63.41
Rent (including Lease Rent) (Refer Note 54)	**143.32**	141.32
Rates and Taxes	**139.78**	141.60
Directors' Fees	**0.35**	0.32
Directors' Commission	**18.00**	21.25
Contribution to General Electoral Trust	**23.00**	3.00
Advertisement	**315.15**	243.49
Sales Promotion and Other Selling Expenses	**453.91**	354.70
Miscellaneous Expenses	**793.01**	709.56
	4,452.42	3,885.94

NOTE 32: CONTINGENT LIABILITIES (to the extent not provided for) (Ind AS 37)

(a) Claims against the Company not acknowledged as debt:

	Particulars	Brief Description of Matter	As at March 31, 2019	As at March 31, 2018
(a)	Excise Duty and Service Tax Matters	Related to valuation matter (Rule 8 vs. Rule 4), Denial of Cenvat credit on ISD/GTA and others	**1,518.70**	1,178.56
(b)	Sales-tax/VAT/Entry Tax Matters	Related to stock transfer treated as interstate sales, Demand on freight component and levy of purchase tax on exempted supply, Demand of Entry Tax and others	**436.76**	432.45
(c)	Royalty on Limestone/ Marl/Shale	Based on fixed conversion factor on limestone, royalty rate difference on Marl and additional royalty on mines transfer	**352.92**	184.00
(d)	Land Related Matters	Demand of Higher Compensation	**239.80**	-
(e)	Electricity Duty/Energy Development Cess	Related to electricity duty, Minimum power consumption, Energy development cess and denial of electricity duty exemption	**202.92**	179.40
(f)	Customs	Related to classification dispute	**190.18**	179.37
(g)	State Industrial Incentive Matters	Related to matters on quantum	**181.86**	174.45
(h)	Others (primarily related to Income Tax, Fly ash matters, road tax etc.)	Related to stamp duty, claim raised by vendor/ supplier, Road Tax matter, Income Tax matters and others	**348.09**	316.48

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/authorities.

NOTE 32: CONTINGENT LIABILITIES (to the extent not provided for) (Ind AS 37) (Continued)

(b) The Company had filed appeals against the orders of the Competition Commission of India ("CCI") dated August 31, 2016 and January 19, 2017. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing the Company's appeal against the CCI order dated August 31, 2016, the Hon'ble Supreme Court has, by its order dated October 05, 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount of ₹ 117.55 Crores equivalent to 10% of the penalty amount. The Company, backed by legal opinions, believes that it has a good case in both the matters and accordingly no provision has been made in the accounts.

(c) **Guarantees**:

The Company has issued corporate guarantees as under:

(i) In favour of the Banks/Lenders on behalf of some of its Subsidiaries and Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:

- UltraTech Nathdwara Cement Limited: ₹ 3,050.00 Crores (March 31, 2018 ₹ Nil Crores).
- Bhaskarpara Coal Company Limited (JV): ₹ 4.00 Crores (March 31, 2018 ₹ 4.00 Crores).
- UltraTech Cement Middle East Investment Limited and its subsidiaries: Equivalent to USD 395.66 Million (₹ 2,736.16 Crores) {March 31, 2018 USD 395.66 Million (₹ 2,578.71 Crores)}.

(These Corporate Guarantees are issued in different currencies viz. USD, UAE Dirham, Bangladesh Taka, etc.).

(ii) In favour of the Government Authority of an amount not exceeding ₹ Nil Crores (March 31, 2018 ₹ 3.00 Crores) towards exemption from payment of excise duty.

(d) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Pending decision on the subject review petition and directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

NOTE 33: CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 831.62 Crores. (March 31, 2018 ₹ 867.73 Crores).

NOTE 34:

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company has requested the State Government to consider reinstatement of the mines in its favour.

NOTE 35: ACQUISITION OF BINANI CEMENT LIMITED

NCLAT by its order dated November 14, 2018, approved the Company's Resolution Plan for acquiring Binani Cement Limited ("BCL") under the provisions of the Insolvency and Bankruptcy Code 2016, as amended ("Code"). With effect from November 20, 2018, being the Transfer Date, in terms of the Resolution Plan the existing issued, subscribed and paid up share capital of BCL (including 0.01% non-cumulative redeemable preference shares of ₹ 100/- each) stands cancelled fully, without requiring any further act or deed. Subsequent to the reconstitution of the Board of Directors, taking over management control and subscribing to the equity and preference share capital, BCL has become a wholly owned subsidiary of the Company and has since been renamed UltraTech Nathdwara Cement Limited ("UNCL"), with effect from December 13, 2018.

NOTE 35: ACQUISITION OF BINANI CEMENT LIMITED (Continued)

UNCL has a capacity of 6.25 MTPA in the State of Rajasthan comprising an integrated cement unit with capacity of 4.85 MTPA and a split grinding unit with capacity of 1.4 MTPA. In addition, UNCL has investments in subsidiaries in China and UAE.

This acquisition will create value for shareholders as the acquisition adds 1/3rd additional ready to use capacity in the highly growing North market where the Company was already at high capacity utilisation levels so as to cater to the growing market. This acquisition also provide abundant additional limestone reserves sufficient to cater to even additional capacities at lower prices compared to auctioned prices and creates synergies in logistics and procurement which offers many advantages to the Company.

NOTE 36: ACQUISITION OF CEMENT BUSINESS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

During the year, the Company's Board of Directors approved a Scheme of Arrangement amongst Century Textiles and Industries Limited ("Century"), the Company and their respective shareholders and creditors ("the Scheme"). In terms of the Scheme, Century will demerge its cement business into the Company. Century's cement business consists of 3 integrated cement units in Madhya Pradesh, Chhattisgarh and Maharashtra with a total capacity of 12.6 MTPA and a grinding unit in West Bengal of 2.0 MTPA.

Upon effectiveness of the Scheme, equity shares of the Company shall be issued to shareholders of Century, as on the Record Date, as defined in the Scheme, in the ratio of 1 (one) equity share of the Company of face value ₹ 10/- each for every 8 (eight) equity shares of Century. The Scheme has received approval of the stock exchanges, the Competition Commission of India and the shareholders of the Company and is now awaiting the approval of the National Company Law Tribunal and other regulatory authorities, as may be required.

NOTE 37: ACQUISITION OF IDENTIFIED CEMENT UNITS OF JAL AND JCCL (Ind AS 103)

A. Pursuant to the Scheme of Arrangement between the Company, JAL, JCCL and their respective shareholders and creditors ("the Scheme"), the Company had acquired identified cement units of JAL and JCCL on June 29, 2017 at an enterprise valuation of ₹ 16,189.00 Crores having total cement capacity of 21.2 MTPA including 4 MTPA under construction. The acquisition provides the Company a geographic market expansion with entry into high growth markets where it needed greater reinforcement and creating synergies in manufacturing, distribution and logistics which offers many advantages. This will also create value for shareholders with the ready to use assets reducing time to markets, availability of land, mining leases, fly ash and railway infrastructure leading to overall operating costs advantage.

B. Fair Value of the Consideration transferred:

Against the total enterprise value of ₹ 16,189.00 Crores, the Company had taken over borrowings of ₹ 10,189.00 Crores and negative working capital of ₹ 1,375.00 Crores from JAL and JCCL. After taking these liabilities into account, effective purchase consideration of ₹ 4,625.00 Crores had been discharged as under:

₹ in Crores

Particulars	Amount
Issue of 6.37% Non-Convertible Debentures	3,124.90
Issue of Redeemable Preference Shares	1,500.10*
Total Consideration transferred for Business Combination	**4,625.00**

* Redemption is linked with fulfilment of certain conditions. Out of that, ₹ 500 Crores have already been redeemed in the previous year.

C. Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade Receivables and Other Financial Assets was ₹ 17.07 Crores against which no provision had been considered since fair value of the acquired Receivables were equal to carrying value as on the date of acquisition.

₹ in Crores

NOTE 37: ACQUISITION OF IDENTIFIED CEMENT UNITS OF JAL AND JCCL (Ind AS 103) (Continued)

D. The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date:

Particulars	Amount
Property, Plant and Equipment	11,689.69
Capital Work-In-Progress	218.78
Intangible assets	2,715.88
Other Non-Current Assets	1,604.43
Inventories	246.88
Trade and Other receivables	16.21
Other Financial Assets	0.86
Other Current Assets	30.49
Total Assets	**16,523.22**
Non-Current Borrowings	10,189.00
Current Borrowings	497.55
Provisions	28.67
Trade Payables	806.05
Other Financial Liabilities	33.19
Other Current Liabilities	303.97
Total Liabilities	**11,858.43**
Total Fair Value of the Net Assets	**4,664.79**

E. Amount recognised directly in other equity (Capital Reserve):

Particulars	Amount
Fair value of the net assets acquired	4,664.79
Less: Fair value of consideration transferred	4,625.00
Capital Reserve	**39.79**

F. Acquisition related costs

During the previous year acquisition related costs of ₹ 5.57 Crores had been recognised under Miscellaneous Expenses and Rates and Taxes in the Statement of Profit and Loss. The stamp duty paid/payable on transfer of the assets amounting to ₹ 226.28 Crores had been charged to the Statement of Profit and Loss and had been shown as an exceptional item during the previous year.

G. The Company runs an integrated operation with material movement across geographies and a common sales organization responsible for existing business as well as acquired business. Therefore, separate sales information for the acquired business is not exactly available and accordingly disclosures for revenue and profit/loss of the acquired business since acquisition date have not been made.

Further, it is impracticable to provide revenue and profit/loss of the combined entity for the previous year as though the acquisition date had been April 01, 2017 since these amounts relating to the acquired business for the period prior to the acquisition date are not readily available with the Company.

NOTE 38: EMPLOYEE BENEFITS (Ind AS 19)

A. Defined Benefit Plans:

(a) Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the Rules of the Company for payment of gratuity.

Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

(b) Pension:

The Company considers pension for some of its employees at senior management based on the period of service and contribution for the Company.

(c) Post-Retirement Medical Benefits:

The Company provides post-retirement medical benefits to certain ex-employees who were transferred under the Scheme of arrangement for acquiring Larsen & Toubro cement business and eligible for such benefits from earlier Company.

₹ in Crores

Particulars	As at March 31, 2019			As at March 31, 2018		
	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(i) Change in defined benefit obligation						
Balance at the beginning of the year	**451.75**	**7.57**	**0.58**	407.33	7.88	0.61
Adjustment of:						
Current Service Cost	**36.15**	**-**	**-**	33.29	-	-
Past Service Cost		**-**	**-**	2.12	-	-
Interest Cost	**33.63**	**0.55**	**0.04**	29.13	0.48	0.04
Actuarial (gains) losses recognised in Other Comprehensive Income:						
– Change in Financial Assumptions	**11.32**	**0.07**	**0.01**	(16.65)	(0.27)	(0.02)
– Change in Demographic Assumptions	**(0.05)**	**(0.24)**	**(0.01)**	(5.27)	-	-
– Experience Changes	**6.36**	**0.05**	**0.01**	(8.53)	0.39	0.01
Benefits Paid	**(27.86)**	**(0.91)**	**(0.06)**	(22.30)	(0.91)	(0.06)
Obligation transferred from JAL/JCCL	**-**	**-**	**-**	32.63	-	-
Balance at the end of the year	**511.30**	**7.09**	**0.57**	451.75	7.57	0.58

₹ in Crores

NOTE 38: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

Particulars		As at March 31, 2019			As at March 31, 2018		
		Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(ii)	**Change in Fair Value of Assets**						
	Balance at the beginning of the year	**497.64**	-	-	431.70	-	-
	Expected Return on Plan Assets	**37.27**	-	-	30.96	-	-
	Re measurements due to:						
	Actual Return on Plan Assets less interest on Plan Assets	**2.59**	-	-	7.31	-	-
	Contribution by the employer	**27.86**	-	-	22.30	-	-
	Benefits Paid	**(27.86)**	-	-	(22.30)	-	-
	Assets transferred from JAL/JCCL	**-**	-	-	27.67	-	-
	Balance at the end of the year	**537.50**	-	-	497.64	-	-
(iii)	**Net Asset/(Liability) recognised in the Balance Sheet**						
	Present value of Defined Benefit Obligation	**(511.30)**	**(7.09)**	**(0.57)**	(451.75)	(7.57)	(0.58)
	Fair Value of Plan Assets	**537.50**	**-**	**-**	497.64	-	-
	Net Asset/(Liability) in the Balance Sheet	**26.20**	**(7.09)**	**(0.57)**	45.89	(7.57)	(0.58)
(iv)	**Expenses recognised in the Statement of Profit and Loss**						
	Current Service Cost	**36.15**	**-**	**-**	33.29	-	-
	Past Service Cost	**-**	**-**	**-**	2.12	-	-
	Interest Cost	**33.63**	**0.55**	**0.04**	29.13	0.48	0.04
	Expected Return on Plan Assets	**(37.27)**	**-**	**-**	(30.96)	-	-
	Total Expense	**32.51**	**0.55**	**0.04**	33.58	0.48	0.04
	Less: Transferred to Pre-operative Expenses	**-**	**-**	**-**	(0.15)	-	-
	Amount charged to the Statement of Profit and Loss	**32.51**	**0.55**	**0.04**	33.43	0.48	0.04
(v)	**Re-measurements recognised in Other Comprehensive Income (OCI):**						
	Changes in Financial Assumptions	**11.32**	**0.07**	**0.01**	(16.65)	(0.27)	(0.02)
	Changes in Demographic Assumptions	**(0.05)**	**(0.24)**	**(0.01)**	(5.27)	-	-
	Experience Adjustments	**6.36**	**0.05**	**0.01**	(8.53)	0.39	0.01
	Actual return on Plan assets less interest on plan assets	**(2.59)**	**-**	**-**	(7.31)	-	-
	Loss/(Gain) recognised in Other Comprehensive Income (OCI):	**15.04**	**(0.12)**	**0.01**	(37.76)	0.12	(0.01)

₹ in Crores

NOTE 38: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

Particulars		As at March 31, 2019			As at March 31, 2018		
		Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(vi)	**Maturity profile of defined benefit obligation:**						
	Within the next 12 months	**59.50**	**0.97**	**0.06**	52.05	0.07	0.06
	Between 1 and 5 years	**169.91**	**3.33**	**0.24**	150.40	0.28	0.24
	Between 5 and 10 years	**178.11**	**2.63**	**0.23**	165.75	0.27	0.23
	10 Years and above	**843.40**	**4.44**	**0.52**	763.40	0.84	0.61
(vii)	**Sensitivity analysis for significant assumptions:***						
	Increase/(Decrease) in present value of defined benefits obligation at the end of the year						
	1% increase in discount rate	**(42.80)**	**(0.34)**	**(0.03)**	(37.50)	(0.49)	(0.04)
	1% decrease in discount rate	**49.95**	**0.37**	**0.04**	43.64	0.55	0.04
	1% increase in salary escalation rate	**49.14**	**-**	**-**	43.01	-	-
	1% decrease in salary escalation rate	**(42.95)**	**-**	**-**	(37.68)	-	-
	1% increase in employee turnover rate	**(14.73)**	**-**	**-**	(12.24)	-	-
	1% decrease in employee turnover rate	**16.16**	**-**	**-**	14.41	-	-
(viii)	**The major categories of plan assets as a percentage of total plan @**						
	Insurer Managed Funds	**100%**	**N.A.**	**N.A.**	100%	N.A.	N.A.
(ix)	**Actuarial Assumptions:**						
	Discount Rate (p.a.)	**7.65%**	**7.65%**	**7.65%**	7.90%	7.90%	7.90%
	Turnover Rate	**1.5% to 8.00%**	**-**	**-**	1.5% to 8.00%	-	-
	Mortality tables	**Indian Assured Lives Mortality (2012-14)**	**S1PA mortality table adjusted suitably**		Indian Assured Lives Mortality (2006-08)	PA (90) mortality table rated down by 4 years	
	Salary Escalation Rate (p.a.)	**8.00%**	**-**	**-**	8.00%	-	-
	Retirement age: Management - Non-Management-	**60 Yrs. 58 Yrs.**	**-**	**-**	60 Yrs. 58 Yrs.	-	-
(x)	Weighted Average duration of Defined benefit obligation	**9.0 Yrs.**	**6.5 Yrs.**	**6.1 Yrs.**	8.9 Yrs.	7.0 Yrs.	6.5 Yrs.

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

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

NOTE 38: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

(xi) Discount Rate:

The discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligations.

(xii) Salary Escalation Rate:

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

(xiii) Asset Liability matching strategy:

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

(xiv) The Company's expected contribution during next year is ₹ Nil Crores (March 31, 2018 ₹ Nil Crores).

(d) Provident Fund:

The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same.

Amount recognized as an expense under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 92.76 Crores (March 31, 2018 ₹ 85.97 Crores).

The actuary has provided for a valuation and based on the below provided assumptions there is no interest shortfall as at March 31, 2019 and March 31, 2018.

₹ in Crores

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Plan Assets at Fair Value**	**1,196.03**	957.22
(b)	**Present value of defined benefit obligation at year end**	**1,193.89**	956.96
(c)	**Liability recognised in Balance Sheet**	**NIL**	NIL
(d)	**Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach**		
	Government of India bond yield for the outstanding term of liabilities	**7.65%**	7.90%
	Remaining term of the maturity of Investment Portfolio	**13.72 Yrs.**	13.85 Yrs.
	Discount Rate for the remaining term of the maturity of Investment Portfolio	**8.56%**	8.63%
	Expected Guaranteed Interest Rate	**8.65%**	8.55%

B. Amount recognized as an expense in respect of Compensated Absences is ₹ 24.52 Crores (March 31, 2018 ₹ 14.97 Crores).

C. Amount recognized as expense for other long term employee benefits is ₹ 0.96 Crores (March 31, 2018 ₹ 0.87 Crores).

NOTE 39: SEGMENT REPORTING (Ind AS 108)

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

NOTE 40: RELATED PARTY DISCLOSURES (Ind AS 24)

A. List of Related Parties where control exists:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
(i) Holding Company:			
Grasim Industries Limited	India	NA	
(ii) Subsidiary Companies:			
(a) Dakshin Cements Limited	India	100%	100%
(b) UltraTech Cement Lanka Private Limited	Sri Lanka	80%	80%
(c) Harish Cement Limited	India	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80%[!]	80%[!]
(e) PT UltraTech Investments Indonesia	Indonesia	100%[&]	100%[&]
(f) UltraTech Cement SA (PTY) [@@]	South Africa	-	-
(g) UltraTech Cement Middle East Investments Limited (UCMEIL)	United Arab Emirates	100%	100%
(h) Star Cement Co. LLC, Dubai[*]	United Arab Emirates	100%[$]	100%[$]
(i) Star Cement Co. LLC, Ras-Al-Khaimah[*]	United Arab Emirates	100%[$]	100%[$]
(j) Al Nakhla Crusher LLC, Fujairah[*]	United Arab Emirates	100%[$]	100%[$]
(k) Arabian Cement Industry LLC, Abu Dhabi[*]	United Arab Emirates	100%[$]	100%[$]
(l) UltraTech Cement Bahrain Company WLL, Bahrain (formerly known as Arabian Gulf Cement Co WLL)[*]	Bahrain	100%[^]	100%[^]
(m) Emirates Power Company Limited, Bangladesh[*]	Bangladesh	100%	100%
(n) Emirates Cement Bangladesh Limited, Bangladesh[*]	Bangladesh	100%	100%
(o) Awam Minerals LLC, Oman*	Oman	37%[##]	37%[##]
(p) Bhagwati Limestone Company Private Limited (BLCPL)	India	100%	100%
(q) UltraTech Cement Mozambique Limitada, Mozambique [@@]	Mozambique	-	-
(r) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(s) PT UltraTech Cement Indonesia[#]	Indonesia	99%	99%
(t) PT UltraTech Mining Sumatera [#]	Indonesia	100%	100%
(u) UltraTech Nathdwara Cement Limited (UNCL) (formerly known as Binani Cement Limited) [$$]	India	100%	-
(v) Smooth Energy Private Limited (formerly known as Binani Energy Private Limited) [$$]	India	100%[!!]	-
(w) Bahar Ready Mix Concrete Limited (formerly known as Binani Ready Mix Concrete Limited) [$$]	India	100%[!!]	-
(x) Merit Plaza Limited [$$]	India	100%[!!]	-
(y) Swiss Mercandise Infrastructure Limited [$$]	India	100%[!!]	-
(z) Krishna Holdings PTE Limited (KHPL) [$$]	Singapore	100%[&&]	-

NOTE 40: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
(aa) Bhumi Resources PTE Limited (BHUMI) [$$]	Singapore	100%[!!]	-
(ab) Murari Holdings Limited (MUHL)[$$]	British Virgin Islands	100%[!!]	-
(ac) Mukundan Holdings Limited (MHL) [$$]	British Virgin Islands	100%[!!]	-
(ad) Binani Cement Factory LLC (BCFLLC) [$$]	United Arab Emirates	100%[**]	-
(ae) Binani Cement Fujairah LLC [$$]	United Arab Emirates	100%[***]	-
(af) Binani Cement (Tanzania) Limited [$$]	Tanzania	100%[***]	-
(ag) BC Tradelink Limited., Tanzania [$$]	Tanzania	100%[***]	-
(ah) Shandong Binani Rongan Cement Company Limited (SBRCC), China [$$]	Republic of China	92.5%[^^]	-
(ai) PT Anggana Energy resources (Anggana), Indonesia [$$]	Indonesia	100%[^^^]	-
(aj) Binani Cement (Uganda) Limited [$$]	Uganda	100%[***]	-

! 4% Shareholding of UCMEIL.

& 5% Shareholding of UCMEIL.

Ceased control with effect from April 24, 2017

* Subsidiaries of UCMEIL.

$ 51% held by nominee as required by local law for beneficial interest of the Company.

^ 1 share held by employee as nominee for the beneficial interest of the Company.

Subsidiary of PT UltraTech Investments Indonesia.

@@ Ceased to exist with effect from July 06, 2017

$$ with effect from November 20, 2018

!! Wholly owned subsidiary of UNCL

&& 55.54% held by UNCL and 44.46% held by MHL

** Wholly owned subsidiary of MUHL

*** Wholly owned subsidiary of BCFLLC

^^ Subsidiary of KHPL

^^^ Wholly owned subsidiary of BHUMI

B. List of Related Parties with significant influence:

	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
			As at March 31, 2019	As at March 31, 2018
(i)	**Joint Venture:** Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%
(ii)	**Associate:**			
	(a) Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
	(b) Aditya Birla Renewable SPV 1 Limited (w.e.f. June 19, 2017)	India	26.00%	26.00%

NOTE 40: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

C. Other Related Parties with whom there were transactions during the year:

Name of the Related Party	Relationship
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited (formerly known as Birla Sun Life Insurance Company Limited)	Fellow Subsidiary
Aditya Birla Health Insurance Limited	Fellow Subsidiary
ABNL Investment Limited	Fellow Subsidiary
Ultratech Provident Fund	Post-Employment Benefit Plan
Bharucha & Partners	Entity Controlled by Key Management Personnel
Dave Girish & Company	Entity Controlled by Key Management Personnel
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. D.D. Rathi – Non-Executive Director (Till July 27, 2018)	Key Management Personnel (KMP)
Mr. O.P Puranmalka - Non-Executive Director	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mr. G.M. Dave - Independent Director	Key Management Personnel (KMP)
Mrs. Alka Bharucha - Independent Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu - Independent Director	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mrs. Renuka Ramnath - Independent Director	Key Management Personnel (KMP)
Mr. K.K. Maheshwari - Managing Director	Key Management Personnel (KMP)
Mr. K.C. Jhanwar – Deputy Managing Director (w.e.f. October 19, 2018)	Key Management Personnel (KMP)
Mr. Atul Daga - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Kritika Daga	Relative of KMP (Wife of Mr. Atul Daga)

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

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Goods:		
Holding Company	**16.09**	11.73
Fellow Subsidiary	**-**	0.02
Subsidiaries	**500.55**	311.47
Total	**516.64**	323.22
Purchase of Goods:		
Holding Company	**2.69**	1.93
Fellow Subsidiary	**-**	0.01
Subsidiaries	**462.33**	0.05
Associate	**12.66**	0.20
Total	**477.68**	2.19

₹ in Crores

NOTE 40: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

Nature of Transaction/Relationship	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Fixed Assets:		
Subsidiary	**0.27**	-
Purchase of Fixed Assets:		
Fellow Subsidiary	**0.24**	-
Services received from:		
Holding Company	**1.77**	1.16
Fellow Subsidiary	**12.33**	7.33
KMP	**35.89**	38.40
Entity Controlled by KMP	**0.04**	0.03
Relative of KMP	**0.27**	0.26
Total	**50.30**	47.18
Services rendered to:		
Holding Company	**1.22**	0.11
Subsidiaries	**66.18**	38.72
Total	**67.30**	38.83
Dividend and Interest Income:		
Subsidiaries	**84.54**	13.68
Dividend Paid:		
Holding Company	**173.60**	165.34
Contribution to:		
Post-Employment Benefit Plan	**129.79**	102.43
Investments:		
Subsidiaries	**29.35**	0.15
Preference Shares in Subsidiary (Refer Note 3)	**1900.00**	-
Loans Given:		
Subsidiary	**1,834.75**	-
Loans repaid by Subsidiary:		
Subsidiary	**35.00**	-
Advances against Supply:		
Subsidiary	**55.00**	-
Corporate Guarantees on behalf of subsidiaries:		
Given/issued during the year	**3,050.00**	101.52

₹ in Crores

NOTE 40: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

(b) Outstanding balances:

Nature of Transaction/Relationship	As at March 31, 2019	As at March 31, 2018
Loans and Advances:		
Holding Company	**0.30**	0.79
Subsidiaries	**1,867.00**	0.07
Fellow Subsidiary	**7.68**	5.31
Joint Venture and Associates	**2.49**	2.49
Total	**1,877.47**	8.66
Trade Receivables:		
Holding Company	**0.99**	1.94
Subsidiaries	**65.51**	42.95
Total	**66.50**	44.89
Trade Payables:		
Holding Company	**0.27**	0.21
Subsidiaries	**4.60**	-
Associate	**0.57**	0.19
Total	**5.44**	0.40
Deposit:		
KMP (Pending shareholder's approval)	**3.59**	-
Relative of KMP	**5.00**	5.00
Corporate Guarantees:		
Joint Ventures	**4.00**	4.00
Subsidiaries	**5,786.16**	2,578.71
Total	**5,790.16**	2,582.71

(c) Compensation of KMP of the Company:

Nature of transaction	Year Ended March 31, 2019	Year Ended March 31, 2018
Short-term employee benefits	**17.54**	16.83
Post-employment benefits	**1.24**	0.67
Share based payment	**1.79**	1.13
Total compensation paid to KMP	**20.57**	18.63

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Compensation paid for the year ended March 31, 2019 includes remuneration paid to Mr. K.C. Jhanwar, Deputy Managing Director, which is subject to shareholder's approval in ensuing Annual general meeting.

The company is a member of Aditya Birla Management Corporation Private Limited (ABMCPL), a company limited by guarantee formed for the purpose of its members to mutually avail and share common facilities, expertise and other support on an arms' length basis. The transactions between the Company and ABMCPL are approved by the Audit Committee and during the year the amount spent on such transactions is ₹ 172.69 Crores.

NOTE 40: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties including fixed Assets are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

During the year, the Company has provided inter corporate loan to its subsidiary at a rate of 3M MCLR+15 bps which is repayable on demand.

For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 41: INCOME TAXES (Ind AS 12)

(i) Reconciliation of Effective Tax Rate:

In %

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Applicable tax rate	**34.94**	34.61
Effect of Tax Exempt Income	**(0.46)**	(0.35)
Effect of Non-Deductible expenses	**1.28**	0.97
Effect of Allowances for tax purpose	**(3.19)**	(2.10)
Effect of Tax paid at a lower rate	**(1.37)**	(0.98)
Effect of changes in Tax rate	**-**	1.26
Effect of Previous year adjustments	**(0.11)**	(1.03)
Others	**(0.03)**	0.04
Effective Tax Rate	**31.06**	32.42

NOTE 42: EARNINGS PER SHARE (EPS) (Ind AS 33)

₹ in Crores

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	**2,455.72**	2,231.28
(ii) Weighted average number of Equity Shares outstanding (Nos.)	**274,632,160**	274,543,934
(iii) Less: Treasury Shares acquired by the Company under Trust	**(202,022)**	-
(iv) Weighted average number of Equity Shares outstanding for calculation of Basic EPS	**274,430,138**	274,543,934
Basic EPS (₹) (i)/(iv)	**89.48**	81.27
B. Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	**274,430,138**	274,543,934
(ii) Add: Potential Equity Shares on exercise of options (Nos.)	**79,361**	69,787
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i + ii)	**274,509,499**	274,613,721
Diluted EPS (₹) {(A) (i)/(B) (iii)}	**89.46**	81.25

Notes to Standalone Financial Statements (Continued)

₹ in Crores

NOTE 43: AUDITORS' REMUNERATION (EXCLUDING SERVICE TAX/GST) AND EXPENSES

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(a) Statutory Auditors:		
Audit fees (including Quarterly Limited Reviews)	**2.94**	2.62
Tax audit fees	**0.16**	0.14
Fees for other services	**0.16**	0.05
Expenses reimbursed	**0.12**	0.12
(b) Cost Auditors:		
Audit fees	**0.25**	0.19
Expenses reimbursed	**0.04**	0.01

NOTE 44:

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

Particulars	Year Ended March 31, 2019			Year Ended March 31, 2018		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	**88.00**	**49.69**	**137.69**	95.01	55.33	150.34
Royalty and Cess	**1,021.53**	**-**	**1,021.53**	748.52	-	748.52

NOTE 45: SHARE BASED PAYMENTS (Ind AS 102)

The Company has granted 207,030 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

A. **Employee Stock Option Scheme (ESOS 2006):**

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year	As per the Terms of Scheme	As per the Terms of Scheme	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Exercise Price (₹ per share)	606	794	655	709	1,061	974
Fair Value on the date of Grant of Option (₹ per share)	502	404	547	447	281	762
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

* Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Company.

NOTE 45: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

B. Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets

NOTE 45: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

C. Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme – 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche I (SAR, 2018)	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	1,084	3,924
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	18.12.2018	18.12.2018
Exercise Price (₹ per share)	10	4,009.30	10	4,009.30
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	3,946	1,539
Method of Settlement	Equity	Equity	Cash	Cash

D. Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	**144,499**	**2,171.13**	251,577	1,880.59
Granted during the year	**202,022**	**3,143.84**	-	-
Exercised during the year	**(28,735)**	**1,585.05**	(106,079)	1,482.43
Forfeited during the year	**(812)**	**568.53**	(999)	2,134.23
Outstanding at the end of the year	**316,974**	**2,848.32**	144,499	2,171.13
Options exercisable at the end of the year	**73,273**	**2,394.44**	74,262	2,090.76

NOTE 45: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

The weighted average share price at the date of exercise for options was ₹ 3,844.48 per share (March 31, 2018 ₹ 4,123.18 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2019 was 4.6 years (March 31,2018: 3.9 years).

The Company has granted 5,008 SAR to its employees during the year with a weighted average exercise price of ₹ 3,143.64 per share and weighted average fair value of ₹ 2,060 per share. The weighted average remaining contractual life for SAR is 5.3 years.

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 655 per share to ₹ 4,009 per share for options.

E. Fair Valuation:

202,022 share options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 2,009.83 per share (March 31, 2018 ₹ Nil per share).

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2006:

1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
2. Option Life - Vesting period (1 Year) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.49, Tranche-II: 0.52,Tranche-III: 0.30, Tranche-IV: 0.30, Tranche-V: 0.30, Tranche-VI: 0.25
4. Expected Growth in Dividend - 20%

(b) For ESOS 2013:

1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60 Tranche–V: 0.60, Tranche–VI: 0.61
4. Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%, Tranche-VI: 5%

(c) For ESOS 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.24
4. Dividend Yield - Tranche -I: 0.46%

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

The fair value of SAR has been done by an independent firm of Chartered Accountants on the date of grant using the Binomial Tree model.

NOTE 45: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

(a) For ESOS – SAR - 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
   (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.25
4. Dividend Yield - Tranche -I: 0.46%

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

F. Details of Liabilities arising from Company's cash settled share based payment transactions:

₹ in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Other non-current liabilities	0.01	-
Other current liabilities	-	-
Total carrying amount of liabilities	**0.01**	-

NOTE 46 (A): CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES (Ind AS 107)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at amortised cost				
Trade Receivables	2,097.59	2,097.59	1,714.20	1,714.20
Loans	2,029.26	2,029.26	226.17	226.17
Cash and Bank Balances	623.96	623.96	199.32	199.32
Other Financial Assets	860.45	860.45	477.17	477.17
Financial Assets at fair value through Profit or Loss				
Investments	2,893.50	2,893.50	5,428.57	5,428.57
Fair Value Hedging Instruments				
Derivative Assets	19.99	19.99	38.07	38.07
Total	**8,524.75**	**8,524.75**	8,083.50	8,083.50
Financial liabilities at amortised cost				
Non-Convertible Debentures	2,535.00	2,462.79	2,575.00	2,509.35
Term Loan from Banks	11,489.00	11,489.00	10,489.00	10,489.00
Cash Credits/Working Capital Borrowing	0.18	0.18	694.86	694.86
Commercial Papers	1,642.46	1,642.46	992.87	992.87
Sales Tax Deferment Loan	438.77	438.77	289.68	289.68
Redeemable Preference Shares	1,000.10	1,000.10	1,000.10	1000.10
Trade Payables	2,653.74	2,653.74	2,224.16	2,224.16
Other Financial Liabilities	1,907.54	1,907.54	1,813.49	1,813.49
Foreign Currency Borrowings	1,012.63	1,012.63	1,377.99	1,377.99
Fair Value Hedging Instrument				
Derivative Liability	-	-	28.27	28.27
Total	**22,679.42**	**22,607.21**	21,485.42	21,419.77

Investment in Subsidiaries, Joint ventures and Associates amounting to ₹ 4,171.01 Crores (March 31, 2018 ₹ 734.33 Crores) are measured at Cost in accordance with Ind AS 109.

NOTE 46 (B): FAIR VALUE MEASUREMENTS (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹ in Crores

Particulars	Fair Value	
	As at March 31, 2019	As at March 31, 2018
Financial Assets at fair value through profit or loss		
Investments – Level 2	**2,876.10**	5,412.09
Investments – Level 3	**17.40**	16.48
Fair Value Hedging Instruments		
Derivative assets – Level 2	**19.99**	38.07
Total	**2,913.49**	5,466.64
Fair Value Hedging Instruments		
Derivative liability – Level 2	**-**	28.27
Total	**-**	28.27

The management assessed that cash and bank balances, trade receivables, loans, trade payables, cash credits, commercial papers and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

(a) The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(d) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

(e) The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.

(f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

NOTE 46 (B): FAIR VALUE MEASUREMENTS (Ind AS 113) (Continued)

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2019 and March 31, 2018 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value.
Investments in Unquoted instruments accounted for as fair value through Profit and Loss	DCF method	Average Cost of Borrowings to arrive at discount rate.	**March 31, 2019:** 8.50% **March 31, 2018:** 8.50%	0.5% (March 31 2018: 0.5%) increase/(decrease) would result in increase/(decrease) in fair value by ₹ (1.14) Crores (March 31 2018: ₹ (0.35) Crores)

Reconciliation of Level 3 Fair Value Measurements:

₹ in Crores

Balance as at March 31, 2017	**15.31**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.20
Add: Purchase of Investment during the year	0.02
Less: Sale of Investment during the year	(0.05)
Balance as at March 31, 2018	**16.48**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.70
Add: Purchase of Investment during the year	20.24
Less: Sale of Investment during the year	(20.02)
Balance as at March 31, 2019	**17.40**

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps, cross currency swaps that are entered to hedge foreign currency risk exposure, interest rate swaps, coupon only swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
(I) Market Risk			
A. Foreign Currency Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	(a) Forward foreign exchange contracts (b) Foreign currency options (c) Principal only/Currency swaps
B. Interest Rate Risk	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	(a) Interest Rate swaps, Coupon only swaps (b) Portfolio Diversification

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Risk	Exposure Arising From	Measurement	Management
C. Commodity Price Risk	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity price tracking	(a) Commodity Fixed Prices (b) Swaps/Options
(II) Credit Risk	Trade receivables, Investments, Derivative Financial instruments, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Diversification of mutual fund investments, (b) Credit limit & credit worthiness monitoring, (c) Criteria based approval process
(III) Liquidity Risks	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

The Corporate treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Company on periodical basis about the various risks to the business and status of various activities planned to mitigate the risks.

(I) Market Risk:

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

A. Foreign Currency Risk:

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

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

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

In Crores

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Outstanding foreign currency exposure (Gross) as at	March 31, 2019	March 31, 2018
Trade receivables		
USD	**1.10**	0.83
Euro	**0.08**	0.10
Others	**-**	0.01
Trade Payables		
USD	**3.14**	1.30
Euro	**0.26**	0.75
Others	**0.03**	0.02
Borrowings		
USD	**14.64**	21.14
Investments		
USD	**6.92**	6.92

Foreign currency sensitivity on unhedged exposure:

100 bps increase in foreign exchange rates will have the following impact on profit before tax.

₹ in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
USD	**(4.79)**	(4.51)
Others	**-**	(0.01)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

B. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate exposure:

Particulars	Total Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Non-Interest Bearing Borrowings
INR	**17,105.51**	**11,489.18**	**5,177.56**	**438.77**
USD	**1,012.63**	**-**	**1,012.63**	**-**
Total as at March 31, 2019	**18,118.14**	**11,489.18**	**6,190.19**	**438.77**
INR	16,041.51	10,563.86	5,187.97	289.68
USD	1,377.99	-	1,377.99	-
Total as at March 31, 2018	**17,419.50**	**10,563.86**	**6,565.96**	**289.68**

Note: Interest rate risk hedged for FCY borrowings has been shown under Fixed Rate borrowings

₹ in Crores

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Interest rate sensitivities for unhedged exposure (impact on profit before tax due to increase in 100 bps):

Particulars	As at March 31, 2019	As at March 31, 2018
INR	**(114.89)**	(105.64)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

Foreign Currency and Interest Rate Risk Management:

Forward Exchange and Interest Rates Swaps Contracts:

A. Derivatives for hedging currency and interest rates, outstanding are as under:

Particulars	Hedged Item	Currency	As at March 31, 2019	As at March 31, 2018	Cross Currency
(a) Forward Contracts	Imports	USD	**10.73**	6.47	Rupees
	Imports	Euro	**0.11**	0.15	Rupees
	Imports	Euro	**1.24**	1.11	USD
	Exports	USD	**0.71**	-	Rupees
(b) Other Derivatives:					
i) Currency & Interest Rate Swap (CIRS)	ECB*	USD	**7.32**	9.82	Rupees
ii) Principal only Swap	ECB*	USD	**7.32**	11.32	Rupees
iii) Interest Rate Swap	ECB*	USD	**7.32**	11.32	USD

* External Commercial Borrowings

B. Cash Flow Hedges: The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach. The Company assesses hedge effectiveness based on following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio

The Company designates the derivatives to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the critical terms of the forward exchange contracts to match with the hedged item.

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for External Commercial Borrowings (USD)	**March 31, 2019**	**65.19**	**7.32**	**17.25**
Buy Currency for External Commercial Borrowings (USD)	March 31, 2018	65.19	7.32	(10.90)

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	**March 31, 2019**	**7.47%**	**7.32**	**(0.02)**
2 to 5 years	March 31, 2018	7.47%	7.32	7.19

Cross Currency and Interest rate Swaps:

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	**March 31, 2019**	**7.79%**	**67.49**	**7.32**	**2.76**
2 to 5 years	March 31, 2018	7.79%	67.49	7.32	(23.57)

* Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps

The above Hedging Instruments are included in the Balance Sheet under the head "Other Financial Assets"/"Other Financial Liabilities". Refer Statement of changes in equity for movement on OCI.

Recognition of gains/(losses) under forward exchange and interest rates swaps contracts designated under cash flows hedges:

₹ in Crores

Particulars	As at March 31,2019		As at March 31,2018	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	**(11.01)**	-	(3.46)	-

C. **Commodity price risk management:**

Commodity price risk for the Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Company. Since the Energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into forward covers for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply etc. While forward covers are prevailing in the markets for coal but in case of pet coke no such derivative is available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the central procurement team.

(II) Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Trade receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

assesses the credit risk as high the exposure is backed by either bank guarantee/letter of credit or security deposits.

Total Trade receivable as on March 31, 2019 is ₹ 2,097.59 Crores (March 31, 2018 ₹ 1,714.20 Crores)

The Company does not have higher concentration of credit risks to a single customer. A single largest customer has total exposure in sales 2.4% (March 31, 2018: 1.9%) and in receivables 9.9% (March 31, 2018: 8.7%).

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

Movement of provision for doubtful debts:

₹ in Crores

Particulars	March 31, 2019	March 31, 2018
Opening provision	**41.50**	35.68
Add: Provided during the year	**10.11**	5.85
Less: Utilised during the year	**(0.07)**	(0.03)
Closing Provision	**51.53**	41.50

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of mutual funds, quoted Bonds, Non-Convertible Debentures issued by Government/Semi Government Agencies/PSU Bonds/High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on March 31, 2019 is ₹ 7,064.51 Crores (March 31, 2018 ₹ 6,162.90 Crores)

Financial Guarantees

The Company has given corporate guarantees amounting to ₹ 5,790.16 Crores in favour of its subsidiaries and joint ventures (Refer note 32 (c)).

(III) Liquidity risk management:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

NOTE 47: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

₹ in Crores

As at March 31, 2019	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	**3,178.86**	**4,223.47**	**10,715.81**	**18,118.14**
Trade Payables	**2,653.73**	**-**	**-**	**2,653.73**
Interest accrued but not due on borrowings	**188.01**	**-**	**-**	**188.01**
Other Financial Liabilities (excluding Derivative Liability)	**1,719.53**	**-**	**-**	**1,719.53**
Investments	**1,514.85**	**1,010.81**	**350.44**	**2,876.10**

As at March 31, 2018	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	3,545.16	3,182.76	10,691.58	17,419.50
Trade Payables	2,224.16	-	-	2,224.16
Interest accrued but not due on borrowings	161.94	-	-	161.94
Other Financial Liabilities (excluding Derivative Liability)	1,651.55	-	-	1,651.55
Derivative Liability	-	28.27	-	28.27
Investments	3,948.71	1,106.72	356.66	5,412.09

NOTE 48: DISTRIBUTION MADE AND PROPOSED (Ind AS 1)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2019: ₹ 11.50 per share (March 31, 2018: ₹ 10.50 per share)	**315.84**	288.34
DDT on proposed dividend	**64.92**	59.27
Proposed dividends on Preference shares:		
Final dividend for the year ended on March 31, 2019	**0.01**	0.01
DDT on proposed dividend (FY 2017-2018: ₹ 17,098)	**-**	-
Total Dividend proposed	**380.77**	347.62

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

NOTE 49: CAPITAL MANAGEMENT (Ind AS 1)

The Capital management objective of the Company is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Group's capital management, capital includes issued equity share capital, share premium and all other equity.

₹ in Crores

NOTE 49: CAPITAL MANAGEMENT (Ind AS 1) (Continued)

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

Particulars	As at March 31, 2019	As at March 31, 2018
Total Debt (Bank and other borrowings)	**18,118.14**	17,419.50
Equity	**27,947.72**	25,923.02
Liquid Investments and bank deposits	**3,145.80**	5,555.54
Debt to Equity (Net)	**0.54**	0.46

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

NOTE 50: RESEARCH AND DEVELOPMENT

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 17.31 Crores. (March 31, 2018 ₹ 14.04 Crores).

NOTE 51: CORPORATE SOCIAL RESPONSIBILITY

Expenditure incurred in cash on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 74.96 Crores (March 31, 2018 ₹ 60.71 Crores) and on account of capital expenditure ₹ 2.16 Crores (March 31, 2018 ₹ 0.96 Crores).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2019 is ₹ 61.17 Crores (March 31, 2018 ₹ 58.91 Crores) i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

NOTE 52: GOVERNMENT GRANT (Ind AS 20)

(a) Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 398.43 Crores (March 31, 2018 ₹ 300.72 Crores).

(b) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an income. Accordingly, an amount of ₹ 45.49 Crores (March 31, 2018: ₹ 3.86 Crores) has been recognized as an income. Every year change in fair value is accounted for as an interest expense.

(c) Interest and Repairs to plant and machinery are net of subsidy received, under State Investment Promotion Scheme of ₹ Nil Crores (March 31, 2018 ₹ 5.81 Crores) and ₹ 1.46 Crores (March 31, 2018 ₹ 0.98 Crores) respectively.

NOTE 53: ASSETS HELD FOR DISPOSAL (Ind AS 105)

The Company has identified certain assets like Aggregate Mines, Pre Grinders, Vibrating Mill, Naptha based power plant etc which are available for sale in its present condition. The Company is committed to plan the sale of asset and an active programme to locate a buyer and complete the plan have been initiated. The Company expects to dispose off these assets within twelve months from its classification.

₹ in Crores

NOTE 54: OPERATING LEASE (Ind AS 17)

(a) Future minimum rental payables under non-cancellable operating lease

Sr. No	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(i)	Not later than one year	**5.32**	2.45
(ii)	Later than one year and not later than five years	**6.42**	4.14
(iii)	More than five years	**-**	-

(b) Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 143.32 Crores (March 31, 2018 ₹ 141.32 Crores)

(c) General Description of leasing agreements:

- Leased Assets: Land, Godowns, Offices, Flats, Machinery and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

NOTE 55: REVENUE (Ind AS 115)

A. The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

In compliance with Ind AS 115, certain sales promotion schemes are now treated as variable components of consideration and have been recognised as revenue deductions instead of other expenses. Consequently, all comparative period numbers have been restated, adhering to the full retrospective approach under Ind AS 115.

The Revenue and Other expenses for the year ended March 31, 2018 have both been reduced by ₹ 432.18 Crores due to the aforesaid regrouping and there is no impact on the Profit, financial position and Cashflow of the Company.

B. Revenue recognised from Contract liability (Advances from Customers):

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Closing Contract liability	**247.21**	300.35

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2019.

C. Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue as per Contract price	**38,192.72**	32,387.94
Less: Discounts and incentives	**(3,087.96)**	(2,563.72)
Revenue as per statement of profit and loss	**35,104.76**	29,824.22

₹ in Crores

NOTE 56:

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	**20.28**	9.73
	(ii) The interest due on above	-	0.01
	The total of (i) & (ii)	**20.28**	9.74
(b)	The amount of interest paid by the buyer in terms of section 16 of the Act	-	-
(c)	The amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of financial year		0.01
(e)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

NOTE 57:

Ind AS 116 – on March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 "Leases", which replaces Ind AS 17 "Leases". The new standard introduces a single on-balance sheet lease accounting model for lessee. This will result in the company recognising right of use assets & lease liability in the books.

The Company is in the process of analyzing the impact of Ind AS 116 on its financials.

The amendment will come into force from April 01, 2019.

Others

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning or or after April 01, 2019.

1. **Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments**

   The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.

2. **Amendment to Ind AS 12 – Income taxes**

   The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events

3. **Ind AS 19 - Plan amendment, curtailment or settlement**

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Based on preliminary assessment, the Company does not expect any significant impact on its financial statements on account of above amendments.

NOTE 58:

Effective July 01, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses.

NOTE 59:

Other income for year ended March 31, 2018 includes reversal of earlier years provision of ₹ 103.79 Crores related to contribution towards District Mineral Fund (DMF) under the Mines and Mineral (Development and Regulation) Amendment Act, 2015, on the basis of Supreme Court Judgment dated October 13, 2017.

NOTE 60:

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

Signatures to Note '1' to '60'

In terms of our report attached.

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: April 24, 2019

For and on behalf of the Board of Directors

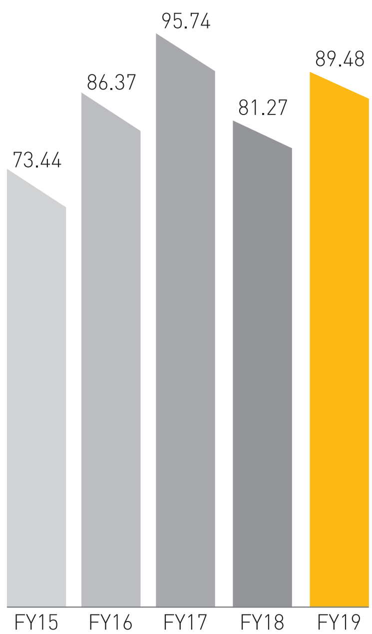
K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

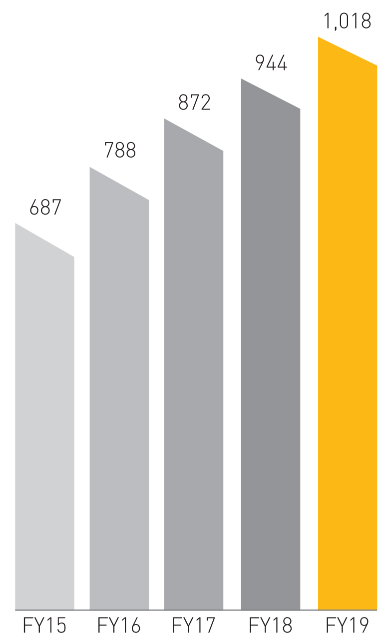
ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

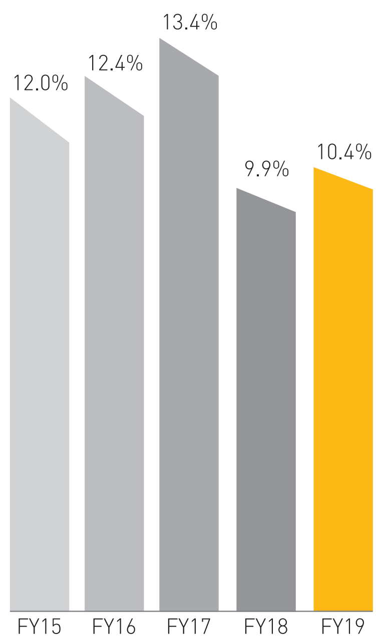
PERFORMANCE INDICATORS (STANDALONE)



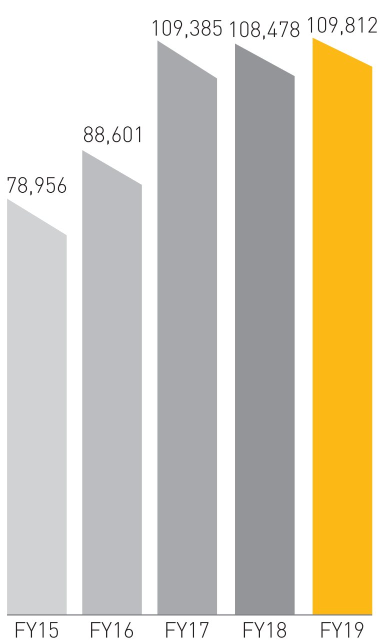
EPS (₹ per share)



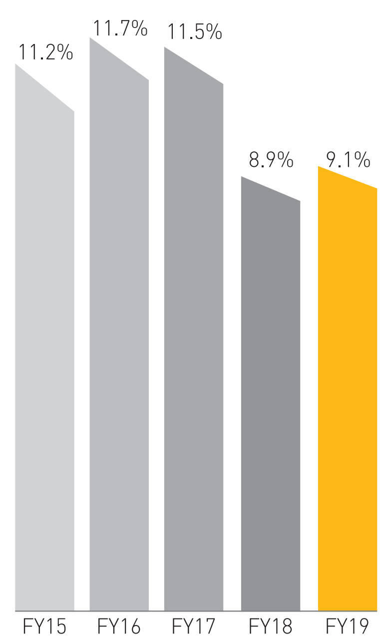
Book Value (₹ per share)



ROCE (%)



Market Capitalisation (₹ Crs)



ROE (%)

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of
UltraTech Cement Limited

Report on the Audit of consolidated Ind AS financial statements

Opinion

We have audited the consolidated Ind AS financial statements of Ultratech Cement Limited (hereinafter referred to as the 'Company') and its subsidiaries ('the Company and its subsidiaries together referred to as 'the Group'), its associates and its joint venture which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on standalone or consolidated financial statements, as applicable, of such subsidiaries, associates and joint venture as were audited by the other auditors, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ('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 its joint venture as at 31 March 2019, and of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group and its associates and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 37 of the consolidated Ind AS financial statements, which describes the following matters:

a) In terms of Order dated 31 August 2016, the Competition Commission of India ('CCI') had imposed penalty of Rs.1,175.49 crore for alleged contravention of the provisions of the Competition Act, 2002 by the Company. The Company had filed an appeal against the CCI Order before the Competition Appellate Tribunal ('COMPAT'). Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the National Company Law Appellate Tribunal ('NCLAT'). NCLAT completed its hearing on the matter and disallowed the appeal filed by the Company against the CCI Order. Aggrieved by the order of the NCLAT, the Company has filed an appeal before the Honorable Supreme Court of India, which has granted a stay against the NCLAT Order on the condition that the Company deposits 10% of the penalty amounting to Rs.117.55 crore which has been deposited. Based on legal opinion, the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

b) In terms of Order dated 19 January 2017, the CCI had imposed penalty of Rs.68.30 crore pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in

August, 2012 by the Company. The Company had filed an appeal before COMPAT and received the stay order dated 10 April 2017. Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the NCLAT for which hearing is pending. Based on legal opinion, the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

c) The Statutory Auditors of UltraTech Nathdwara Cement Limited ('UNCL'), a wholly owned subsidiary of the Company, without modifying their opinion on the audited consolidated financial statements as at and for the year ended 31 March 2019 have reported that UNCL had filed an appeal before the Competition Appellate Tribunal (COMPAT) against the Order of the Competition Commission of India (CCI) dated 31 August 2016. Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the National Company Law Appellate Tribunal (NCLAT). NCLAT completed its hearing on the matter and disallowed the appeal filed by UNCL against the CCI order. Aggrieved by the order of NCLAT, UNCL has filed an appeal before the Honorable Supreme Court of India, which has granted a stay vide its order dated 18 January 2019 against the NCLAT order. Consequently, UNCL has deposited an amount of Rs.16.73 crore equivalent to 10% of the penalty amount. Based on the legal opinion taken by the Company, UNCL believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account of UNCL. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter:

Key Audit Matters		How the matter was addressed in our audit
Business combination - Acquisition of Ultratech Nathdwara Cement Limited (formerly Binani Cement Limited) ▪ The Company completed the acquisition of 100% of the shares of Binani Cement Limited (BIL) through the Insolvency process vide the NCLAT order dated November 14, 2018 and accounted for this acquisition as a business combination as per Ind AS 103 with effect from 20 November 2018 by recognizing identifiable assets (including intangible assets) and liabilities (including contingent liabilities) acquired at fair value (Refer note 41 to the consolidated Ind AS financial statements). ▪ The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental. ▪ Fair value was determined by the Company with the assistance of an external valuation expert using various valuation models, which were applied according to the assets and liabilities being measured. ▪ Refer note 41 to the consolidated Ind AS financial statements for the details of the basis used and judgements and estimates involved in measuring the acquired assets and liabilities.		Our procedures included: ▪ Reading the documents pertaining to the acquisition to understand the key terms and conditions of the acquisition. ▪ Assessing the competence, capabilities and objectivity of the experts engaged by the Company and gaining an understanding of the work of the experts by reviewing the valuation reports. ▪ Reviewed and challenged the reasonableness of key assumptions, purchase price allocation adjustments and the identification and valuation of acquired intangible assets based on our knowledge of the Company and the industry. ▪ Assessing the adequacy of the Company's disclosures in respect of the acquisition in accordance with the accounting standards.

▪ Given the complexity and judgement involved in fair value measurements and magnitude of the acquisition made by the Company, this is a key audit matter.		
Revenue recognition – Discounts, incentives, rebates etc. ▪ Revenue is measured net of discounts, incentives, rebates etc. earned by customers on the Company's sales. ▪ Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, incentives and rebate schemes to be recognised based on sales made during the year is material and considered to be complex and judgmental. ▪ Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates. ▪ Given the judgement required to estimate the amount of provisions, this is a key audit matter.		Our procedures included: ▪ Assessing the appropriateness of the Company's accounting policies relating to discounts, incentives, rebates, etc by comparing with applicable accounting standards. ▪ Assessing the design and testing the implementation and operating effectiveness of Company's internal controls over the approvals, calculation, provision and disbursement of discounts, incentives and rebates. ▪ Obtaining management's calculations for discounts, incentives and rebates accruals under applicable schemes on a sample basis and comparing the accruals made with the approved schemes. ▪ Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end date to determine whether these were recorded appropriately. ▪ Comparing the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to determine the appropriateness of current year-provisions. ▪ Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.
Regulations - Litigations and claims ▪ The Company operates in various States within India, exposing it to a variety of different Central and State/ Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. ▪ Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims. ▪ At 31 March 2019, the Company's contingent liabilities as per the Standalone financial statements were Rs. 4,646.73 crore.		Our procedures included: ▪ Review the outstanding litigations against the Company for consistency with the previous years. Enquire and obtain explanations for movement during the year. ▪ Reading the latest correspondence between the Company and the various tax / legal authorities and review of correspondence with / legal opinions obtained by the management, from external legal advisors, where applicable, for significant matters. ▪ Discussing the status of significant litigation with the Company's in-house Legal Counsel and other senior management personnel and assessing their responses.

▪ Management applies significant judgement in estimating the likelihood of the future outcome in each case when considering whether, and how much, to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation. ▪ These estimates could change substantially over time as new facts emerge and each legal case progresses. ▪ Given the inherent complexity and magnitude of potential exposures across the Company and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.		▪ On sample basis, examine the Company's legal expenses and read the minutes of the board meetings, in order to ensure all cases have been identified. ▪ With respect to tax matters, involving our tax specialists, and discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. ▪ Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. ▪ For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Company's disclosures.
Subsidiaries Classified as Held for Sale (KAM of Ultratech Nathdwara Cement Limited) UNCL is in the process of entering into a sale agreement which results into loss of control of subsidiaries located in China and UAE. The assets and liabilities of these subsidiaries are classified as 'held for sale'. The same is considered as key audit matter as it involves evaluation of conditions that is required to be satisfied for classification of assets held for sale, fair valuation of assets less cost of disposal and liabilities on such classification and consequential impairment, if any, and disclosure and presentation in the financial statements. (Refer note 59 to the consolidated Ind AS financial statements)		Auditors of UNCL have carried out the following procedures in respect of these matters: Obtained management note from UNCL management for evaluation of discontinued operations. For this purpose: ▪ Read minutes of meetings of Board of Directors of UNCL. ▪ Verified the Non-Disclosure Agreement entered in to by UNCL with the banker to identify prospective buyer. ▪ Read communications between bankers and prospective buyers. Verified that impairment loss that is recognised on initial recognition and on subsequent measurement when carrying amount exceeds its fair value less costs of disposal. For this purpose: ▪ Obtained and relied on the audited financial statements of these subsidiaries audited by another auditor. ▪ Obtained the valuation report of disposal group. For this purpose, we have involved our internal valuation experts to review the reasonableness of the valuer's assumptions. Verified the disclosure and presentation of financial statement in accordance with Ind AS- 105 'Non-current Assets held for sale and discontinued operations'

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditors' Report (Continued)

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated Ind AS financial statements

The Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective management and Board of Directors of the companies included in the Group, its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its associates and joint venture is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated Ind AS financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group as well as associates and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) and (b) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors as noted in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of twenty subsidiaries, whose financial statements reflect total assets of Rs.7,408.54 crore as at 31 March 2019, total revenues of Rs. 2,398.09 crore and net cash flows amounting to Rs.(4.32) crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit (and other comprehensive income) of Rs.0.53 crore for the year ended 31 March 2019, in respect of one joint venture and one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Company and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.

(b) We did not audit the financial statements of twelve subsidiaries, whose financial statements reflect total assets of Rs.18.57 crore as at 31 March 2019, total revenues of Rs.Nil crore and net cash outflows amounting to Rs. (0.10) crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 0.01 crore for the year ended 31 March 2019, in respect of one associate whose financial statements have not been audited by us. These financial statements of the aforesaid subsidiaries and associates are unaudited and have been furnished to us by the Management of the Company and our opinion on the consolidated Ind AS 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-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management of the Company, these financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on standalone or consolidated financial statements, as applicable, of such subsidiaries, associates and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

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

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31 March 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies, and joint venture incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company, its subsidiary companies, associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone or consolidated financial statements, as applicable, of the subsidiaries, associates and joint venture, as noted in the 'Other Matters' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, its associates and joint venture. Refer Note 37 to the consolidated Ind AS financial statements.

   ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts, if any, including derivative contracts. Refer Note 53 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint venture.

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company or its subsidiary companies, associate companies and joint venture incorporated in India during the year ended 31 March 2019.

   iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated Ind AS financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:

   In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Company, its subsidiary companies, associate companies and joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company, its subsidiary companies, associate companies and joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Vijay Mathur
Partner
Membership No: 046476

Mumbai
April 24, 2019

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
April 24, 2019

Annexure A to the Independent Auditors' report - 31 March 2019

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of Ultratech Cement Limited (hereinafter referred to as 'the Company') and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary, its associate and its joint venture as of that date.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors as mentioned in the Other Matters paragraph, the Company and such companies incorporated in India which are its subsidiary, its associate and joint venture, have, in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated Ind AS financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated Ind AS financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as 'the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated Ind AS financial statements of the Company, its subsidiaries, its associate company and its Joint venture which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated Ind AS financial statements. 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 with reference to consolidated Ind AS financial statements were 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 with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgements, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 of the relevant subsidiary, associate and joint venture 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 with reference to consolidated Ind AS financial statements.

Annexure A to the Independent Auditors' report - 31 March 2019 (Continued)

Meaning of Internal Financial controls with Reference to Consolidated Ind AS Financial Statements

A company's internal financial controls with reference to consolidated Ind AS financial statements 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 controls with reference to consolidated Ind AS financial statements 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 with Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, 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 with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements in so far as it relates to nine subsidiaries, one associate and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 April 2019

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2019

Consolidated Balance Sheet as at March 31, 2019

₹ in Crores

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2	38,604.14			35,637.59
Capital Work-in-Progress	2	1,118.29			1,510.30
Goodwill	2	2,847.10			1,036.30
Other Intangible Assets	2	4,684.60			3,041.41
Intangible Assets under development	2	3.80			0.91
			47,257.93		41,226.51
Investments Accounted using Equity Method	3		18.68		10.81
Financial Assets:					
Investments	4	1,386.16			1,486.97
Loans	5	1,123.32			127.00
Other Financial Assets	6	40.08	2,549.56		19.73
Income Tax Assets (Net)			127.57		140.33
Deferred Tax Assets (Net)	7		12.06		9.43
Other Non-Current Assets	8		2,814.70		2,668.43
Total Non-Current Assets				52,780.50	45,689.21
Current Assets					
Inventories	9		3,585.11		3,267.59
Financial Assets:					
Investments	10	1,516.49			3,949.12
Trade Receivables	11	2,531.43			2,220.63
Cash and Cash Equivalents	12	437.24			77.19
Bank Balances other than Cash and Cash Equivalents	13	269.93			141.88
Loans	5	183.71			111.02
Other Financial Assets	6	911.54	5,850.34		581.10
Current Tax Assets (Net)			37.50		33.16
Other Current Assets	14		1,188.71		1,036.22
Assets/Disposal Group held for sale	59		1,093.50		43.40
Total Current Assets				11,755.16	11,461.31
TOTAL ASSETS				64,535.66	57,150.52
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	15 (a)		274.64		274.61
Other Equity	15 (b)		28,113.66		26,106.55
Non-Controlling Interest			12.15		16.02
				28,400.45	26,397.18
Share Application Money Pending Allotment				0.65	-
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities:					
Borrowings	16	19,551.16			15,863.47
Other Financial Liabilities	17	-	19,551.16		28.27
Provisions	18		166.10		156.89
Deferred Tax Liabilities (Net)	19		3,553.89		3,182.70
Other Non-Current Liabilities	20		6.35		6.57
Total Non-Current Liabilities				23,277.50	19,237.90
Current Liabilities					
Financial Liabilities:					
Borrowings	21	2,724.32			2,763.44
Trade Payables					
Total Outstanding Dues of Micro Enterprises and Small Enterprises	62	20.82			9.73
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	22	2,824.73			2,375.14
Other Financial Liabilities	17	2,524.68	8,094.55		2,678.05
Other Current Liabilities	23		3,365.96		2,749.37
Provisions	18		451.06		496.04
Current Tax Liabilities (Net)			456.49		443.67
Liabilities included in Disposal Group held for sale	59		489.00		-
Total Current Liabilities				12,857.06	11,515.44
TOTAL EQUITY AND LIABILITIES				64,535.66	57,150.52
Significant Accounting Policies	1				
The accompanying notes form an integral part of the Consolidated Financial Statements.					

In terms of our report attached.

For and on behalf of the Board of Directors

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

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Mumbai: April 24, 2019

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

₹ in Crores

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Continuing Operations			
Revenue from Operations (Refer Note 61 and 65)	24	37,379.20	31,872.45
Other Income	25	438.07	588.57
TOTAL INCOME (I)		37,817.27	32,461.02
EXPENSES			
Cost of Materials Consumed	26	5,409.01	4,519.95
Purchases of Stock-in-Trade	27	1,238.54	880.03
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	(120.45)	(111.20)
Employee Benefits Expense	29	2,058.79	1,810.24
Finance Costs	30	1,548.57	1,237.60
Depreciation and Amortisation Expense	31	2,139.80	1,847.93
Power and Fuel		8,427.90	6,334.07
Freight and Forwarding Expense	32	8,846.74	7,309.99
Excise duty (Refer Note 65)		-	893.83
Other Expenses	33	4,754.69	4,128.70
		34,303.59	28,851.14
Less: Captive Consumption of Cement		(24.15)	(38.32)
TOTAL EXPENSES (II)		34,279.44	28,812.82
Profit from Continuing Operations before Exceptional Items and Tax Expense (I) – (II)		3,537.83	3,648.20
Exceptional Items			
Stamp Duty on Acquisition of Assets (Refer Note 42)		-	(226.28)
Impairment of Assets		-	(74.86)
Impairment on loss of control in subsidiary (Refer Note 36)		-	(45.46)
Profit from Continuing Operations before Tax Expense and Share in Profit/(Loss) of Associate and Joint Venture		3,537.83	3,301.60
Share in Profit/(Loss) of Associate and Joint Venture (net of Tax expense)		0.54	(0.13)
Profit from Continuing Operations before Tax Expense		3,538.37	3,301.47
Tax Expense of continuing operations:			
Current Tax		738.85	718.53
Excess Tax Provision reversed related to prior years		(3.69)	(33.97)
Deferred Tax		371.62	392.45
Total Tax Expense		1,106.78	1,077.01
Profit for the Year from continuing operations (III)		2,431.59	2,224.46
Profit/(Loss) attributable to Non-Controlling Interest		(3.13)	2.29
Profit attributable to Owners of the Parent		2,434.72	2,222.17
Discontinued Operations			
Profit before tax from discontinued operations		54.94	-
Tax expense of discontinued operations		15.31	-
Less: Impairment of disposal group classified as held for sale		(39.63)	-
Profit after tax from discontinued operations (IV)		-	-
Profit for the year (V = III + IV)		2,431.59	2,224.46
Profit/(Loss) attributable to Non-Controlling Interest		(3.13)	2.29
Profit attributable to Owners of the Parent		2,434.72	2,222.17
Other Comprehensive Income/(Loss)			
A. (i) Items that will not be reclassified to Profit or Loss – Re-measurement Gain/(Loss) on Defined Benefit Plan		(13.90)	37.95
(ii) Income Tax Relating to Items that will not be reclassified to Profit or Loss		5.03	(8.45)
B. (i) Items that will be reclassified to Profit or Loss – Cash flow Hedge and Foreign Currency Translation Reserve (FCTR)		(7.01)	12.61
(ii) Income Tax Relating to Items that will be reclassified to Profit or Loss		3.85	3.57
Other Comprehensive Income/(Loss) for the Year (VI)		(12.03)	45.68
Other Comprehensive Income attributable to Non-Controlling Interest		(0.74)	-
Other Comprehensive Income/(Loss) attributable to Owners of the Parent		(11.29)	45.68
Total Comprehensive Income for the Year (V + VI)		2,419.56	2,270.14
Total Comprehensive income attributable to Non-Controlling Interest		(3.87)	2.29
Total Comprehensive income attributable to Owners of the Parent		2,423.43	2,267.85
Earnings Per Equity Share (Face Value ₹ 10 each) – Continuing Operations	47		
Basic (in ₹)		88.72	80.94
Diluted (in ₹)		88.69	80.92
Earnings Per Equity Share (Face Value ₹ 10 each) – Discontinued Operations			
Basic (in ₹)		-	-
Diluted (in ₹)		-	-
Earnings Per Equity Share (Face Value ₹ 10 each) – Continuing & Discontinued Operations	47		
Basic (in ₹)		88.72	80.94
Diluted (in ₹)		88.69	80.92
Significant Accounting Policies	1		
The accompanying notes form an integral part of the Consolidated Financial Statements.			

In terms of our report attached.

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: April 24, 2019

For and on behalf of the Board of Directors

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

₹ in Crores

A. Equity Share Capital

For the year ended March 31, 2019

Balance as at April 01, 2018	Changes in Equity Share Capital during the year	Balance as at March 31, 2019
274.61	0.03	274.64

For the year ended March 31, 2018

Balance as at April 01, 2017	Changes in Equity Share Capital during the year	Balance as at March 31, 2018
274.51	0.10	274.61

B. Other Equity

For the year ended March 31, 2019

Particulars	Attributable to Owners of the Company										Attributable to Non-Controlling Interest	Total Other Equity
	Reserves & Surplus							Cash Flow Hedge Reserve	Exchange differences on translating the financial statements of foreign operations	Total Other Equity Attributable to Owners of the Company		
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve #	Treasury Shares @@	Retained Earnings					
Balance as at April 01, 2018	170.72	69.67	324.17	20,024.73	17.29	-	5,338.86	78.74	82.37	26,106.55	16.02	26,122.57
Profit for the year	-	-	-	-	-	-	2,434.72	-	-	2,434.72	(3.13)	2,431.59
Other Comprehensive Income/(Loss) for the year												
Re-measurement gain/(loss) on defined benefit plan	-	-	-	-	-	-	(8.87) *	-	-	(8.87)	-	(8.87)
Effective portion of gains/(loss) on hedging instruments and FCTR	-	-	-	-	-	-	-	(46.53) @	44.11	(2.42)	(0.74)	(3.16)
Transaction cost on cancellation of shares in UNCL	-	-	-	-	-	-	(1.50)	-	-	(1.50)	-	(1.50)
Total Comprehensive Income/(Loss) for the year	-	-	-	-	-	-	2,424.35	(46.53)	44.11	2,421.93	(3.87)	2,418.06
Purchase of Treasury Shares	-	-	-	-	-	(81.21)	-	-	-	(81.21)	-	(81.21)
Contribution by and Distribution to Owners												
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(347.63) ##	-	-	(347.63)	-	(347.63)
Transfer to Retained Earnings	-	-	(100.00)	-	-	-	100.00	-	-	-	-	-
Transfer from Retained Earnings	-	-	142.08	1,800.00	-	-	(1,942.08)	-	-	-	-	-
Employees Stock Options Exercised	-	8.30	-	-	(3.77)	-	-	-	-	4.53	-	4.53
Employees Stock Options Granted	-	-	-	-	9.48	-	-	-	-	9.48	-	9.48
Total Contribution by and Distribution to Owners	-	8.30	42.08	1,800.00	5.71	-	(2,189.71)	-	-	(333.62)	-	(333.62)
Balance as at March 31, 2019	170.72	77.97	366.25	21,824.73	23.00	(81.21)	5,573.50	32.21	126.48	28,113.66	12.15	28,125.81

Net of Deferred Employees Compensation Expenses ₹ 38.02 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Option Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, reacquired equity shares of the Company are called Treasury shares and deducted from equity.

* Net of Tax amounting to ₹ 5.03 Crores.

@ Net of Deferred Tax amounting to ₹ 3.85 Crores.

Dividend of ₹ 10.50/- per share and including Dividend Distribution Tax of ₹ 59.27 Crores.

₹ in Crores

For the year ended March 31, 2018

Particulars	Attributable to Owners of the Company										Attributable to Non-Controlling Interest	Total Other Equity
	Reserves & Surplus							Cash Flow Hedge Reserve	Exchange differences on translating the financial statements of foreign operations	Total Other Equity Attributable to Owners of the Company		
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve #	Treasury Shares	Retained Earnings					
Balance as at April 01, 2017	142.46	42.55	241.25	18,424.73	20.94	-	5,100.52	65.12	79.81	24,117.38	9.71	24,127.09
Profit for the year	-	-	-	-	-	-	2,222.17	-	-	2,222.17	2.29	2,224.46
Other Comprehensive Income/(Loss) for the year												
Re-measurement gain/(loss) on defined benefit plan	-	-	-	-	-	-	29.50 *	-	-	29.50	-	29.50
Effective portion of gains/(loss) on hedging instruments and FCTR	-	-	-	-	-	-	-	13.62 @	2.56	16.18	-	16.18
Total Comprehensive Income/(Loss) for the year	-	-	-	-	-	-	2,251.67	13.62	2.56	2,267.85	2.29	2,270.14
On Account of Business Combination (Refer note 42)	28.26 **	-	-	-	-	-	-	-	-	-	-	28.26
Contribution by and Distribution to Owners												
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(330.41) ##	-	-	(330.41)	(3.36)	(333.77)
Transfer to Retained Earnings	-	-	(62.50)	-	-	-	62.50	-	-	-	-	-
Transfer from Retained Earnings	-	-	145.42	1,600.00	-	-	(1,745.42)	-	-	-	-	-
Employees Stock Options Exercised	-	27.12	-	-	(11.50)	-	-	-	-	15.62	-	15.62
Employees Stock Options Granted	-	-	-	-	7.85	-	-	-	-	7.85	-	7.85
Total Contribution by and distribution to owners	-	27.12	82.92	1,600.00	(3.65)	-	(2,013.33)	-	-	(306.94)	(3.36)	(310.30)
Loss of Control in Subsidiary	-	-	-	-	-	-	-	-	-	-	7.38	7.38
Balance as at March 31, 2018	170.72	69.67	324.17	20,024.73	17.29	-	5,338.86	78.74	82.37	26,106.55	16.02	26,122.57

Net of Deferred Employees Compensation Expenses ₹ 7.05 Crores.

* Net of Tax amounting to ₹ 8.45 Crores.

@ Net of Deferred Tax amounting to ₹ (3.57) Crores.

** Net of Deferred Tax amounting to ₹ 11.53 Crores.

Dividend of ₹ 10/- per share and including Dividend Distribution Tax of ₹ 55.89 Crores.

Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: April 24, 2019

For and on behalf of the Board of Directors

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2019

₹ in Crores

	Particulars	As at March 31, 2019	As at March 31, 2018
A.	**Cash Flow from Operating Activities:**		
	Profit Before tax	**3,538.37**	3,301.47
	Adjustments for:		
	Depreciation and Amortisation	**2,139.80**	1,847.93
	Gain on Fair Valuation of Investments	**(120.36)**	(263.57)
	Gain on Fair Valuation of VAT Deferment Loan	**(45.49)**	(3.86)
	Gain on Fair Value movement in Derivative Instruments	**(30.07)**	(3.07)
	Unrealised Exchange Loss	**32.19**	-
	Share in (Profit)/Loss on equity accounted investment	**(0.54)**	0.13
	Impairment on deconsolidation of subsidiary	**-**	45.46
	Impairment in Assets	**-**	74.86
	Compensation Expenses under Employees Stock Options Scheme	**9.60**	7.85
	Allowances for credit losses on Advances/debts (net)	**12.10**	22.93
	Bad Debts Written-off	**0.66**	0.06
	Excess Provision written back (net)	**(50.91)**	(136.88)
	Provision for Mines Restoration - (Release)/Charge	**(6.69)**	30.53
	Interest and Dividend Income	**(94.48)**	(66.11)
	Finance Costs	**1,548.57**	1,237.60
	(Profit)/Loss on Sale/Retirement of Property, Plant and Equipment (net)	**(3.33)**	5.44
	Profit on Sale of Current and Non-Current Investments (net)	**(122.08)**	(114.81)
	Operating Profit before Working Capital Changes	**6,807.34**	5,985.96
	Movements in working capital:		
	Increase in Trade payables and other Liabilities	**1,053.66**	346.15
	Increase/(Decrease) in Provisions	**(63.39)**	164.50
	(Increase) in Trade receivables	**(313.39)**	(454.00)
	(Increase) in Inventories	**(241.61)**	(622.62)
	(Increase) in Financial and Other Assets	**(1,372.70)**	(689.38)
	Cash generated from Operations	**5,869.92**	4,730.61
	Taxes paid (net of refund)	**(710.05)**	(842.89)
	Net Cash generated from Operating Activities (A)	**5,159.87**	3,887.72
B.	**Cash Flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	**(1,660.67)**	(2,096.50)
	Sale of Property, Plant and Equipment	**156.76**	219.90
	Expenditure for Cost of transfer of Assets	**(52.32)**	(6.16)
	Sale of Liquid Investment (net)	**122.08**	13.80
	Purchase of Investments	**(1,700.00)**	(3,960.23)
	Sale of Investments	**4,356.35**	5,574.22
	Investment in Non-Current Bank deposits	**(1.36)**	(2.33)
	Investment in Joint Venture and Associates	**(7.95)**	(0.83)
	Investment in Preference Shares	**(20.00)**	-
	Redemption of Preference Shares	**20.00**	-
	Redemption/(Investment) in Other Bank deposits	**(108.74)**	2,052.75
	Interest Received	**102.10**	66.95
	Net Cash generated from Investing Activities (B)	**1,206.25**	1,861.57

Consolidated Cash Flow Statement for the year ended March 31, 2019 (Continued)

₹ in Crores

	Particulars	As at March 31, 2019	As at March 31, 2018
C.	**Cash Flow from Financing Activities:**		
	Proceeds from Issue of Share Capital on exercise of ESOS	**5.21**	15.72
	Transaction Cost on cancellation of equity shares of Subsidiary	**(1.50)**	-
	Purchase of Treasury Shares	**(81.21)**	-
	Repayment of Non-Current Borrowings	**(13,869.21)**	(6,354.71)
	Proceeds from Non-Current Borrowings	**9,801.03**	15,775.12
	Repayment of Short-Term Borrowings (net)	**(69.53)**	(2,940.74)
	Repayment of Borrowings transferred from JAL and JCCL, pursuant to Scheme of Arragement	**-**	(10,686.55)
	Interest Paid	**(1,483.66)**	(1,209.85)
	Dividend Paid Including Dividend Distribution Tax	**(346.16)**	(334.04)
	Net Cash used in Financing Activities (C)	**(6,045.03)**	(5,735.05)
	Net Increase in Cash and Cash Equivalents (A + B + C)	**321.09**	14.24
	Cash and Cash Equivalents at the Beginning of the Year	**77.19**	58.80
	Cash and Cash Equivalents transferred from UNCL	**38.52**	-
	Effect of Exchange rate fluctuation on Cash and Cash Equivalents	**0.45**	4.15
	Cash and Cash Equivalents at the end of the Year (Refer Note 12)	**437.24**	77.19

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
2. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
3. The Scheme of arrangement between JAL, JCCL and the Company does not involve any cash outflow and the consideration has been discharged through issue of debentures and preference shares. (Refer Note 42)
4. Repayment of Borrowings includes amount paid to financial creditors as per the resolution plan. (Refer Note 41)
5. Changes in liabilities arising from financing activities

Particulars	As at March 31, 2018	Cashflows	Non-Cash changes		As at March 31, 2019
			On account of foreign exchanges rates	Others on account of acquisition (Refer note 41)	
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	16,716.78	(4,068.18)	124.29	7,321.14	**20,094.03**
Current Borrowing	2,763.44	(69.53)	(4.72)	35.13	**2,724.32**
	19,480.22	(4,137.71)	119.57	7,356.27	**22,818.35**

Significant Accounting Policies **Note 1**

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: April 24, 2019

For and on behalf of the Board of Directors

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Notes to Consolidated Financial Statements

Note 1(A) Company Overview and Significant Accounting Policies:

Company Overview

UltraTech Cement Limited ("the Holding Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Holding Company and its subsidiaries are engaged in the manufacture and sale of Cement and Cement related products. The Holding Company, its subsidiaries, associates and joint venture together referred to as "the Company" or "the Group".

Significant Accounting Policies

(a) Statement of Compliance:

These consolidated financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act'') and amendments thereto, other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on April 24, 2019.

(b) Basis of Preparation and Presentation:

Basis of Preparation

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

(i) Derivative Financial Instruments measured at fair value

(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

(iii) Assets held for disposal – measured at the lower of its carrying amount and fair value less costs to sell

(iv) Employee's Defined Benefit Plan as per actuarial valuation.

(v) Assets and liabilities acquired under Business Combination measured at fair value; and

(vi) Employee share based payments measured at fair value.

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

Functional and Presentation Currency

(i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, all other figures have been rounded off to the nearest ₹ in lakhs, unless otherwise stated.

Classification of Assets and Liabilities into Current/Non-Current

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

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

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

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

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs are included in the assets's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

(d) Expenditure during construction period:

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

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold Land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

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

No	Nature	Estimated Useful life
1	Buildings	3-60 Years
2	Leasehold land	Over the lease agreement
3	Plant & machinery	8-30 Years
4	Office Equipment	4-7 Years
5	Furniture and Fixtures	7-12 Years
6	Mobile Phones	3 Years
7	Company Vehicles (other than those provided to the employees)	5-12 Years
8	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
9	Servers and Networks	3 Years
10	Stores and Spares in the nature of PPE	10-30 Years
11	Assets individually costing less than or equal to ₹ 10,000	Fully Depreciated in the year of purchase

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

(f) Intangible Assets and Amortisation:

- **Internally generated Intangible Assets:**

  Expenditure pertaining to research is expensed out as and when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

- **Intangible Assets acquired separately:**

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

- **Class of intangible assets and their estimated useful lives / basis of amortisation are as under:**

No	Nature	Estimated Useful life / Basis of amortisation
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Mining Reserve	On the basis of mineral material extraction (proportion of mineral material extracted per annum to total mining reserve)
4	Software	3 Years

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

To classify any asset or disposal groups (comprising assets and liabilities) as "Asset / Disposal groups held for sale" they must be available for immediate sale and its sale must be highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

(h) Impairment of Non-Financial Assets:

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(i) Inventories:

Inventories are valued as follows:

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

  Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

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

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

- **Waste / Scrap:**

  Waste / Scrap inventory is valued at NRV.

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

(j) Employee Share based payments:

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For Stock Appreciation Rights ("SARs") which are cash-settled share-based payments, the fair value of liability is recognised for the services acquired over the period that the employees unconditionally become entitled to the payment. At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is re-measured based on fair value of the SAR's and any changes in fair value of the liability are recognised in the Statement of Profit and Loss.

(k) Borrowing Costs:

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

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

(l) Government Grants:

Government grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

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

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

(m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

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

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

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

Contingent assets are not recognised or disclosed in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Mines Restoration Provision:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

(o) Revenue Recognition:

(i) Revenue from Contracts with Customers

- Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised

will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(ii) Dividend income is accounted for when the right to receive the income is established.

(iii) Interest income is recognised using the Effective Interest Method.

(p) Lease :

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

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

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

(q) Employee benefits:

Gratuity

The gratuity, a defined benefit plan, payable to the employees is based on the Employees' service and last drawn salary at the time of the leaving of the services of the Company and is in accordance with the Rules of the Company for payment of Gratuity. Liability with regards to gratuity plan is determined using the projected unit credit method, with actuarial valuations being carried out by a qualified independent actuary at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

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

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Superannuation

Certain employees of the Company are eligible for participation in defined contribution plans such as superannuation and national pension fund. Contributions towards these funds are recognized as an expense periodically based on the contribution by the Company, since Company has no further obligation beyond its periodic contribution.

Provident Fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, which is a defined benefit plan, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. The Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

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

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. Re-measurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

(r) Income Taxes:

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

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

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 tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

(s) Earnings Per Share:

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

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

(t) Foreign Currency transactions:

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

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations which are recognised in OCI.

(u) Foreign operations:

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to Statement of Profit and Loss.

(v) Financial Instruments:

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

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

Fair Value through OCI:

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

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

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

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

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

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL.

Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

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

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

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain significant financing component and as per simplified approach, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Derecognition of financial assets and financial liabilities:

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial Guarantee Contract Liabilities:

Financial Guarantee Contract Liabilities are disclosed in financial statements in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

(w) Cash and cash equivalents:

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

(x) Financial liabilities and equity instruments:

- **Classification as debt or equity**

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

- **Equity instruments**

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

(y) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cashflow hedge.

(z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit or Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

(aa) Segment Reporting: Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(bb) Goodwill:

Goodwill arising out of Consolidation of financial statements of subsidiaries are tested for impairment at each reporting date.

(cc) Business Combination:

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

(dd) Discontinued Operations:

A discontinued operation is a component of the group's business, the operations and cashflows of which can be clearly distinguished from those of the rest of the group and which represent a separate major line of business or geographical area of operations and

- Is a part of single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

Note 1(B) Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Critical judgments in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

Non Classification of Awam Minerals LLC, Oman (AWAM) as an Associate:

During the year, UltraTech Cement Middle East Investments Limited ("UCMEIL"), the Company's wholly-owned subsidiary in UAE, which held 51% equity in AWAM, transferred 14% of its holding in AWAM. Consequent to dilution of its stake and as per terms of the restructuring agreement, UCMEIL ceased to have management control as well as does not have any power to participate in financial and operating policy decision of AWAM. AWAM thus ceased to be a subsidiary as well as an associate of UCMEIL.

(b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets. In case of certain mining rights the amortisation is based on the extracted quantity to the total mineral reserve.

(ii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) Defined benefit plans:

The cost of the defined benefit gratuity plan, provident fund and other post-employment medical benefits and the present value of the gratuity and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Mines Restoration Obligation:

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model and cash settled transactions with employees using Binomial Tree model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 51.

(vi) Business Combination:

(a) Fair Valuation of Intangibles:

The Company has used royalty saved method for value analysis of limestone mining rights. The method estimates the value of future savings in royalty payments over the life of the mine accruing to the Company, by virtue of the transaction instead of obtaining the mining rights via the Government e-auction process.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk of achieving the mine's projected savings.

(b) Fair Valuation of Tangibles:

Freehold land:

Freehold land was valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by department of revenue and general market intelligence based on size of land parcel.

Leasehold land:

Leasehold land was valued basis the leasehold interest for the remaining duration of the lease.

Other Assets:

The cost approach has been adopted for fair valuing all the assets except vehicles which have been measured at the old book values less depreciation.

The cost approach includes calculation of depreciated replacement cost using price trends applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognized sources such as the RBI/ OEA or market intelligence. In the case of buildings in cement plants, appropriate weightages have been applied to cement, iron & steel and labour indices to arrive at the escalation factor and depreciating the same for past usage based on estimated total and remaining useful life of the asset.

(vii) Disposal Groups:

The Company has used comparable market multiple approach to assess the fair value of the disposal group.

Under the market multiple approach, enterprise value of a company is determined by using multiples derived from valuations of comparable companies, as manifested through stock market valuations of listed companies considering Enterprise Value/ Revenue and Enterprise value/ EBITDA multiples based on their market price and latest published financial information.

Appropriate adjustments are made (e.g. for debt and surplus assets) to arrive at the equity value of the disposal group. (Refer Note 59)

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 2: PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Particulars	Gross Block						Depreciation and Amortisation					Net Block
	As at April 1, 2018	Additions on Acquisition (Refer Note 41)	Other Adjustments*	Additions	Deductions/ Adjustments/ Held for disposal	As at March 31 2019	As at April 1, 2018	Other Adjustments*	For the year	Deductions/ Adjustments/ Held for disposal	As at March 31 2019	As at March 31 2019
A. Tangible Assets[@]												
Land:												
Freehold Land	5,428.88	297.60	0.51	121.53	(10.67)	**5,859.19**	-	-	-	-	**-**	**5,859.19**
Leasehold Land	932.56	135.43	(0.09)	74.98	127.63	**1,015.25**	48.16	(0.06)	47.77	7.12	**88.75**	**926.50**
Buildings	4,345.82	96.40	8.11	211.93	58.42	**4,603.84**	426.70	0.62	181.13	3.23	**605.22**	**3,998.62**
Railway Sidings	653.08	36.11	-	39.75	0.03	**728.91**	98.27	-	45.01	-	**143.28**	**585.63**
Plant and Equipment:												
Own	28,047.86	2,263.72	79.71	1,685.38	2.65	**32,074.02**	3,461.31	8.64	1,653.52	16.37	**5,107.10**	**26,966.92**
Given on Lease	142.38	-	-	-	0.64	**141.74**	37.39	-	10.06	-	**47.45**	**94.29**
Office Equipment	149.84	3.04	(0.07)	37.19	14.13	**175.87**	84.94	(0.06)	28.88	12.41	**101.35**	**74.52**
Furniture and Fixtures	80.03	1.19	0.57	12.23	1.20	**92.82**	43.21	0.29	13.90	0.82	**56.58**	**36.24**
Vehicles	90.67	0.29	0.18	27.16	10.28	**108.02**	33.55	0.09	17.84	5.69	**45.79**	**62.23**
Total Tangible Assets	**39,871.12**	**2,833.78**	**88.92**	**2,210.15**	**204.31**	**44,799.66**	**4,233.53**	**9.52**	**1,998.11**	**45.64**	**6,195.52**	**38,604.14**
B. Capital Work-in-Progress												**1,118.29**
C. Intangible Assets												
Software	52.76	-	-	10.13	-	**62.89**	42.14	-	7.87	-	**50.01**	**12.88**
Mining Rights	161.81	-	-	14.97	0.11	**176.67**	12.60	-	10.28	0.04	**22.84**	**153.83**
Mineral Reserve	2,715.87	1,712.50	-	-	-	**4,428.37**	39.07	-	72.30	-	**111.37**	**4,317.00**
Jetty Rights	182.86	-	-	-	-	**182.86**	26.77	-	7.86	5.31	**29.32**	**153.54**
Power Line Rights	61.06	-	3.82	-	-	**64.88**	12.37	0.73	4.43	-	**17.53**	**47.35**
Total Intangible Assets	**3,174.36**	**1,712.50**	**3.82**	**25.10**	**0.11**	**4,915.67**	**132.95**	**0.73**	**102.74**	**5.35**	**231.07**	**4,684.60**
(D) Intangible Assets under Development												**3.80**
Total Assets (A + B + C + D)	**43,045.48**	**4,546.28**	**92.74**	**2,235.25**	**204.42**	**49,715.33**	**4,366.48**	**10.25**	**2,100.85**	**50.99**	**6,426.59**	**44,410.83**

* On account of Foreign Currency Translation

[@] Net Block of Tangible Assets, amounting to ₹ 17,961.06 Crores (March 31, 2018 ₹ 14,787.09 Crores) are pledged as security against the Secured Borrowings.

Particulars	Gross Block						Depreciation and Amortisation					Net Block
	As at April 1, 2017	Transferred on Acquisition (Refer Note 42)	Other Adjustments*	Additions	Deductions/ Adjustments/ Held for disposal	As at March 31 2018	As at April 1, 2017	Other Adjustments*	For the year	Deductions/ Adjustments/ Held for disposal	As at March 31 2018	As at March 31 2018
A. Tangible Assets												
Land:												
Freehold Land	3,547.98	1,795.74	(0.15)	139.64	54.33	5,428.88	-	-	-	-	-	5,428.88
Leasehold Land	237.24	656.08	(0.03)	42.72	3.45	932.56	21.55	(0.02)	27.69	1.06	48.16	884.40
Buildings	2,766.01	1,388.03	0.01	214.57	22.80	4,345.82	269.44	-	161.73	4.47	426.70	3,919.12
Railway Sidings	444.14	80.64	-	128.30	-	653.08	58.64	-	39.63	-	98.27	554.81
Plant and Equipment:												
Own	19,569.50	7,747.57	1.93	889.79	160.93	28,047.86	2,039.21	0.29	1,445.73	23.92	3,461.31	24,586.55
Given on Lease	143.43	-	-	-	1.05	142.38	28.83	-	8.56	-	37.39	104.99
Office Equipment	114.56	6.25	(0.03)	30.23	1.17	149.84	58.79	(0.02)	26.88	0.71	84.94	64.90
Furniture and Fixtures	71.03	2.19	-	7.29	0.48	80.03	29.84	0.01	13.99	0.63	43.21	36.82
Vehicles	62.79	13.19	(0.06)	20.48	5.73	90.67	18.83	(0.02)	17.39	2.65	33.55	57.12
Total Tangible Assets	26,956.68	11,689.69	1.67	1,473.02	249.94	39,871.12	2,525.13	0.24	1,741.60	33.44	4,233.53	35,637.59
B. Capital Work-in-Progress												1,510.30
C. Intangible Assets												
Software	48.43	0.01	-	4.33	0.01	52.76	32.42	-	9.72	-	42.14	10.62
Mining Rights	164.17	-	-	8.22	10.58	161.81	9.59	-	4.76	1.75	12.60	149.21
Mineral Reserve	-	2,715.87	-	-	-	2,715.87	-	-	39.07	-	39.07	2,676.80
Jetty Rights	182.86	-	-	-	-	182.86	18.91	-	7.86	-	26.77	156.09
Power Line Rights	60.85	-	0.19	0.03	0.01	61.06	8.29	0.01	4.08	0.01	12.37	48.69
Total Intangible Assets	456.31	2,715.88	0.19	12.58	10.60	3,174.36	69.21	0.01	65.49	1.76	132.95	3,041.41
D. Intangible Assets under Development												0.91
Total Assets (A + B + C + D)	27,412.99	14,405.57	1.86	1,485.60	260.54	43,045.48	2,594.34	0.25	1,807.09	35.20	4,366.48	40,190.21

* On account of Foreign Currency Translation

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 2: PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS (Continued)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A. Depreciation and Amortisation for the year	**2,100.85**	1,807.09
Add: Obsolescence (Including impairment of ₹ 18.63 Crores (March 31, 2018 ₹ 27.39 Crores) towards Assets classified as held for disposal) (Refer Note 59)	**39.21**	42.92
Less: Depreciation transferred to Pre-operative Expenses	**(0.25)**	(2.08)
Depreciation as per Statement of Profit and Loss	**2,139.80**	1,847.93

B. 1. Tangible Assets include assets for which ownership is not in the name of the Company – Gross Block of ₹ 412.26 Crores (March 31, 2018 ₹ 447.86 Crores).

2. Buildings include ₹ 12.13 Crores (March 31, 2018 ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

3. Title of Immovable properties having Gross Block of ₹ 2,869.26 Crores (March 31, 2018 ₹ 3,037.86 Crores) and Net Block of ₹ 2,786.23 Crores (March 31, 2018 ₹ 2,993.98 Crores) is yet to be transferred in the name of the Company.

4. The amount of expenditures recognised in the carrying amount of an item of PPE in the course of its construction:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Pre-operative expenses pending allocation:		
Raw Materials Consumed	**0.39**	0.92
Power and Fuel Consumed	**8.56**	7.32
Salary, Wages, Bonus, Ex-gratia and Provisions	**6.63**	24.11
Insurance	**0.06**	1.38
Depreciation	**0.26**	2.08
Finance Costs	**6.45**	2.44
Miscellaneous expenses	**19.09**	13.33
Total Pre-operative expenses	**41.44**	51.58
Less: Sale of Products / Other Income	**(1.38)**	-
Less: Trial Run production transferred to Inventory	**(8.46)**	(6.60)
Add: Brought forward from Previous Year	**104.52**	101.66
Less: Capitalised / Charged during the Year	**(85.81)**	(42.12)
Balance included in Capital Work-in-Progress	**50.31**	104.52

5. Movement in Goodwill:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Balance	**1,036.30**	1,085.11
Less: Derecognised Goodwill on loss of Control (Refer Note 36)	**-**	(55.07)
Add: Exchange difference recognised in foreign currency translation reserve	**53.11**	6.26
Add: Goodwill recognised on account of Business Combination (Refer Note 41)	**1,757.69**	-
Closing Balance	**2,847.10**	1,036.30

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 3: INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
Unquoted:				
Equity Instruments:				
Associates:				
Face value of ₹ 10 each fully paid:				
Madanpur (North) Coal Company (P) Limited	**1,152,560**	**1.05**	1,152,560	1.15
Add: Share in Profit/(Loss) of Associate		**0.01**		(0.10)
Less: Provision for impairment in value of Investment		**(0.22)**		(0.22)
		0.84		0.83
Aditya Birla Renewables SPV 1 Limited	**10,852,442**	**10.81**	3,523,520	3.52
Add: Share in Profit/(Loss) of Associate		**0.52**		(0.04)
		11.33		3.48
		12.17		4.31
Joint Venture:				
Face value of ₹ 10 each fully paid:				
Bhaskarpara Coal Company Limited	**8,141,050**	**8.15**	8,141,050	8.14
Add: Share in Profit of Joint Venture		**0.01**		0.01
Less: Provision for impairment in value of Investment		**(1.65)**		(1.65)
		6.51		6.50
Aggregate Value of:				
Unquoted Investments		**18.68**		10.81
Aggregate amount of impairment in value of investment		**1.87**		1.87

₹ in Crores

NOTE 4: INVESTMENTS

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
Unquoted				
Investments measured at Fair value through Profit or Loss				
Equity Instruments:				
Face value of Omani Riyal 1 each fully paid:				
AWAM Minerals LLC (Refer Note 36)	**168,035**	**7.51**	168,035	7.11
Face value of ₹ 10 each fully paid:				
Raj Mahal Coal Mining Limited	**1,000,000**	**1.00**	1,000,000	1.00
Green Infra Wind Power	**120,000**	**0.12**	144,000	0.14
NU Power Wind Farm	**39,548**	**0.04**	39,548	0.04
Watsun Infrabuild Private Limited	**203,115**	**0.24**	-	-
		8.91		8.29
Preference Shares:				
4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	**-**	**-**	2,000,000	15.30
7% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	**2,000,000**	**16.00**	-	-
Units of Debt schemes of Various Mutual Funds		**890.35**		889.25
		915.26		912.84
Quoted:				
Investments measured at Fair value through Profit or Loss				
Tax Free Bonds		**356.40**		362.74
Taxable Corporate Bonds		**114.50**		211.39
		1,386.16		1,486.97
Aggregate Value of:				
Quoted Investments		**470.90**		574.13
Unquoted Investments		**915.26**		912.84
		1,386.16		1,486.97
Aggregate Market Value of Quoted Investments		**470.90**		574.13

₹ in Crores

NOTE 5: LOANS

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Considered good, Secured:				
Loans against House Property (Secured by way of title deeds)	**0.01**	0.01	**-**	0.01
Loans to Others (Secured by the way of shares lien with the Company)	**986.73**	-	**63.97**	-
Considered good, Unsecured:				
Security Deposits	**123.98**	118.37	**112.44**	100.20
Loans to Related Parties (Refer Note 45)	**-**	-	**-**	2.86
Loans to Employees	**12.60**	8.62	**7.30**	7.95
	1,123.32	127.00	**183.71**	111.02

NOTE 6: OTHER FINANCIAL ASSETS

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Derivative Assets	**19.99**	1.00	**79.06**	120.52
Interest Accrued on Deposits and Investments	**-**	-	**6.13**	18.45
Fixed Deposits with Bank with maturity greater than twelve months*	**20.09**	18.73	**-**	-
Government grants receivable	**-**	-	**713.33**	430.30
Others (Includes Insurance Claims, Railway Claims and Other Receivables)	**-**	-	**113.02**	11.83
	40.08	19.73	**911.54**	581.10

* Lodged as Security with Government Departments.

NOTE 7: DEFERRED TAX ASSETS (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets:		
Provision allowed under tax on payment basis	**0.84**	0.09
Unabsorbed Losses	**27.37**	28.66
Others	**3.31**	-
	31.52	28.75
Deferred Tax Liabilities:		
Accumulated Depreciation	**(14.79)**	(19.32)
Others	**(4.67)**	
	(19.46)	(19.32)
Net Deferred Tax Asset	**12.06**	9.43

₹ in Crores

NOTE 8: OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	1,862.90	2,134.80
Less: Provision for Impairment	(30.58)	(29.18)
	1,832.32	2,105.62
Balance with Government Authorities	967.13	541.89
Prepaid Expenses	15.25	20.92
	2,814.70	2,668.43

NOTE 9: INVENTORIES (Valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials {includes in transit ₹ 42.81 Crores, (March 31, 2018: ₹ 17.13 Crores)}	385.88	317.87
Work-in-progress	681.55	613.26
Finished Goods {includes in transit ₹ 25.81 Crores, (March 31, 2018: ₹ 18.07 Crores)}	366.17	304.14
Stock-in-trade	30.35	11.11
Stores & Spares {includes in transit ₹ 5.57 Crores, (March 31, 2018: ₹ 5.04 Crores)}	1,053.66	926.65
Fuel {includes in transit ₹ 430.99 Crores, (March 31, 2018: ₹ 381.98 Crores)}	997.74	1,011.71
Packing Materials {includes in transit ₹ 0.24 Crores, (March 31, 2018: ₹ 0.06 Crores)}	62.26	74.24
Scrap (valued at net realisable value)	7.50	8.61
	3,585.11	3,267.59

The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision for the year ₹ 23.58 Crores (March 31, 2018 ₹ Nil Crores).

NOTE 10: CURRENT INVESTMENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Investments measured at Fair value through Profit or Loss		
Quoted:		
Taxable Corporate Bonds	57.54	-
Government Securities	1.64	0.41
Unquoted:		
Units of Debt Schemes of Various Mutual Funds	1,457.31	3,948.71
	1,516.49	3,949.12
Aggregate Book Value of:		
Quoted Investments	59.18	0.41
Unquoted Investments	1,457.31	3,948.71
	1,516.49	3,949.12
Aggregate Market Value of Quoted Investments	59.18	0.41

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 11: TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good, Secured	**651.26**	557.55
Considered good, Unsecured	**1,880.17**	1,663.08
Significant increase in Credit Risk	**59.69**	48.99
	2,591.12	2,269.62
Less: Allowances for credit losses	**(59.69)**	(48.99)
	2,531.43	2,220.63

NOTE 12: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks (Current Account)	**378.93**	41.73
Cheques on hand	**56.75**	34.19
Cash on hand	**1.56**	1.27
	437.24	77.19

NOTE 13: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks #	**1.69**	-
Fixed Deposits with Banks* (Maturity more than three months and upto twelve months)	**257.97**	133.08
Earmarked Balance with Bank for Unpaid Dividends	**10.27**	8.80
	269.93	141.88

Bank accounts freezed by Govt. Authorities, the balance of which is not available to the Company.

* Lodged as security with Government Departments ₹ 1.66 Crores (March 31, 2018 ₹ 0.51 Crores). Earmarked for specific purpose ₹ 192.55 Crores (March 31, 2018 ₹ 126.10 Crores).

NOTE 14: OTHER CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to related parties (Refer Note 45)	**10.59**	5.73
Advances to Employees	**6.38**	5.32
Balance with Government Authorities	**567.63**	454.12
Less: Provision for Impairment	**(35.90)**	-
	531.73	454.12
Advances to suppliers	**520.61**	455.67
Prepaid Expenses	**41.77**	33.54
Others (Receivable from Gratuity Trust & Other Receivables)	**77.63**	81.84
	1,188.71	1,036.22

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 15 (a): EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 10 each	**280,000,000**	**280.00**	280,000,000	280.00
Issued, Subscribed and Fully Paid-up				
Equity Shares of ₹ 10 each fully paid-up	**274,642,720**	**274.64**	274,613,985	274.61
(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year				
Outstanding at the beginning of the year	**274,613,985**	**274.61**	274,507,906	274.51
Add: Shares issued under Employees Stock Options Scheme (ESOS)	**28,735**	**0.03**	106,079	0.10
Outstanding at the end of the year	**274,642,720**	**274.64**	274,613,985	274.61
(b) Shares held by Holding Company				
Grasim Industries Limited	**165,335,150**	**165.34**	165,335,150	165.34
(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital	**No. of Shares**	**% Holding**	No. of Shares	% Holding
Grasim Industries Limited	**165,335,150**	**60.20%**	165,335,150	60.21%
	No. of Shares	**Amount**	No. of Shares	Amount
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	**316,974**	**0.32**	144,499	0.14
(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date				
Equity Shares of ₹ 10 each issued in the financial year 2014-2015 as fully paid up to the shareholders of JCCL, pursuant to the Scheme of Arrangement	**141,643**	**0.14**	141,643	0.14

(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(g) Pursuant to the Scheme of Amalgamation of SCL with the Company in the year 2014, the Company issued 149,533,484 Equity Shares of ₹ 10 each issued as fully paid up, for a consideration other than cash, to the shareholders of erstwhile Samruddhi Cement Limited (SCL), {Excluding issue of 8,503 Equity Shares kept in abeyance against shares of Grasim Industries Limited}.

₹ in Crores

NOTE 15 (b): OTHER EQUITY

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	**170.72**	170.72
Securities Premium	**77.97**	69.67
Debenture Redemption Reserve	**366.25**	324.17
General Reserve	**21,824.73**	20,024.73
Share Option Outstanding Reserve	**23.00**	17.29
Treasury Shares	**(81.21)**	-
Retained Earnings	**5,573.50**	5,338.86
Cash Flow Hedge Reserve	**32.21**	78.74
Exchange differences on translating the financial statements of foreign operations	**126.48**	82.37
Total Other Equity	**28,113.66**	26,106.55

The Description of the nature and purpose of each reserve within equity is as follows:

(a) **Capital Reserve:** Company's capital reserve is mainly on account of acquisition of cement business of Larsen & Toubro Ltd., Gujarat Units of Jaypee Cement Corporation Ltd (JCCL) and cement capacities of 21.2 MTPA of Jaiprakash Associates Ltd (JAL) and JCCL, being excess of the net assets acquired over the consideration paid.

(b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

(c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.

(d) **General reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

(e) **Shares Options Outstanding Reserve:** The Company has three share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 49 for further details of these plans.

(f) **Treasury Shares:** The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Option Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury shares and deducted from equity.

(g) **Cashflow Hedge Reserve:** The Company has designated its hedging instruments obtained after April 01, 2015 as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised to the Statement of Profit and Loss.

(h) **Exchange differences on translating the financial statements of foreign operations:** Exchange variation in Opening Equity Share Capital and Reserves and Surplus of UltraTech Cement Lanka (Pvt.) Ltd, UltraTech Cement Middle East Investments Ltd, PT UltraTech Mining Indonesia and PT UltraTech Investment Indonesia is accounted under this reserve.

₹ in Crores

NOTE 16: NON-CURRENT BORROWINGS

Particulars	Non-Current		Current Maturities of Long-Term debts*	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Secured:				
Non-Convertible Debentures - Note (a1)	**1,050.00**	1,525.00	**475.00**	400.00
Term Loans from Banks:				
In Foreign Currency - Note (b1)	**345.78**	325.88	**-**	260.70
In Local Currency - Note (c)	**14,176.26**	10,489.00	**12.37**	-
	14,522.04	10,814.88	**12.37**	260.70
Sales Tax Deferment Loan - Note (d1)	**142.40**	-	**31.87**	-
	15,714.44	12,339.88	**519.24**	660.70
Unsecured:				
Non-Convertible Debentures - Note (a2)	**1,010.00**	650.00	**-**	-
Term Loans from Banks:				
In Foreign Currency - Note (b2)	**2,585.85**	2,613.58	**-**	162.94
Sales Tax Deferment Loan - Note (d2)	**240.87**	260.01	**23.63**	29.67
	3,836.72	3,523.59	**23.63**	192.61
	19,551.16	15,863.47	**542.87**	853.31

* Amount disclosed under the head ' Other Financial Liabilities' (Refer Note 17).

(a1) Non-Convertible Debentures (NCDs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured:		
7.53% NCDs (Redeemable at par on August 21, 2026)	**500.00**	500.00
7.15% NCDs (Redeemable at par on October 18, 2021)	**300.00**	300.00
7.57% NCDs (Redeemable at par on August 06, 2021)	**250.00**	250.00
7.57% NCDs (Redeemable at par on August 13, 2019)	**300.00**	300.00
7.57% NCDs (Redeemable at par on August 08, 2019)	**175.00**	175.00
7.85% NCDs (Redeemable at par on December 18, 2018)	**-**	200.00
7.84% NCDs (Redeemable at par on April 09, 2018)	**-**	200.00
	1,525.00	1,925.00
Less: Current Portion of NCDs shown under Other Current Liabilities	**(475.00)**	(400.00)
	1,050.00	1,525.00

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

₹ in Crores

NOTE 16: NON-CURRENT BORROWINGS (Continued)

(a2) Non-Convertible Debentures (NCDs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured:		
6.93% NCDs (Redeemable at par on November 25, 2021)	**250.00**	250.00
6.99% NCDs (Redeemable at par on November 24, 2021)	**400.00**	400.00
8.36% NCDs (Redeemable at par on June 07, 2021)	**360.00**	-
	1,010.00	650.00
	1,010.00	650.00

(b1) Term Loans from Banks in Foreign Currency

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Secured:			
State Bank of India, New York [@] (US Dollar: 1.00 Crores; March 31, 2018: 1.00 Crores)	March 2023	**69.16**	65.18
State Bank of India, New York [@] (US Dollar: 2.00 Crores; March 31, 2018: 2.00 Crores)	February 2023	**138.31**	130.35
State Bank of India, New York [@] (US Dollar: 2.00 Crores; March 31, 2018: 2.00 Crores)	February 2023	**138.31**	130.35
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: Nil; March 31, 2018: 4.00 Crores)	Repaid in February 2019	**-**	260.70
		345.78	586.58
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		**-**	(260.70)
		345.78	325.88

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders/trustees.

[@] Initially availed from J.P. Morgan Chase Bank N.A, Singapore; transferred to State Bank of India, New York in August 2018 by the Lender.

(b2) Term Loans from Banks in Foreign Currency

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Unsecured:			
Export Development, Canada (US Dollar: 4.64 Crores; March 31, 2018: 4.64 Crores)	June 2021	**321.08**	302.60
Export Development, Canada (US Dollar: 5.00 Crores; March 31, 2018: 5.00 Crores)	May 2021	**345.77**	325.87
Bank of America N.A., Taiwan (US Dollar: Nil; March 31, 2018: 2.50 Crores)	Repaid in October 2018	**-**	162.94
Standard Chartered Bank (US Dollar: 18.75 Crores; March 31,2018: 19.50 Crores)	July 2020	**1,296.62**	1,269.17
Export Development Canada (USD Dollars:9.00 Crores; March 31, 2018: 11.00 Crores)	Starting in June 2020	**622.38**	715.94
		2,585.85	2,776.52
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		**-**	(162.94)
		2,585.85	2,613.58

₹ in Crores

NOTE 16: NON-CURRENT BORROWINGS (Continued)

(c) Term Loans from Banks in Local Currency - Secured:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Axis Bank Ltd	26 quarterly instalments beginning December 2022	**757.08**	2,664.71
ICICI Bank Ltd	28 quarterly instalments beginning December 2022	**614.00**	2,000.00
HDFC Bank Ltd	60 quarterly instalments beginning September 2022	**3,317.92**	3,317.92
Axis Bank Ltd	Repaid in February 2019	**-**	592.37
ICICI Bank Ltd	Repaid in February 2019	**-**	1,614.00
State Bank of India @	60 quarterly instalments beginning September 2022	**5,000.00**	-
State Bank of India	4 Half yearly instalments beginning May 2022	**300.00**	300.00
HDFC Bank Ltd @	76 quarterly instalments beginning February 2020	**1,500.00**	-
HDFC Bank Ltd @	76 quarterly instalments beginning February 2020	**2,699.63**	-
		14,188.63	10,489.00
Less: Current Portion of Term Loans shown under Other Current Liabilities		**(12.37)**	-
		14,176.26	10,489.00

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders/trustees.

@ The Company is in the process of creating security against this loan.

(d1) Sales Tax Deferment Loan:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Secured:			
Uttar Pradesh Financial Corporation	Varied Annual Payments from August 2019 to December 2024	**174.27**	-
Less: Current Portion of Sales Tax Deferment Loan shown under Other Financial Liabilities		**(31.87)**	-
		142.40	-

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

₹ in Crores

NOTE 16: NON-CURRENT BORROWINGS (Continued)

(d2) Sales Tax Deferment Loan:

Particulars	Repayment Schedule	As at March 31, 2019	As at March 31, 2018
Unsecured:			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to March 2022	**63.69**	64.26
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	**196.68**	221.29
Commercial Tax Department, Chhattisgarh	Payable in FY 2020	**4.13**	4.13
		264.50	289.68
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		**(23.63)**	(29.67)
		240.87	260.01

NOTE 17: OTHER FINANCIAL LIABILITIES

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term debts (Refer Note 16)	**-**	-	**542.87**	853.31
Interest Accrued but not due on Borrowings	**-**	-	**212.31**	166.93
Derivative Liability	**-**	28.27	**0.15**	-
Liability for Corporate/Bank Guarantee	**-**	-	**45.13**	-
Liability for Capital Goods	**-**	-	**181.90**	244.89
Security Deposit	**-**	-	**1,334.83**	1,225.08
Salary, Wages, Bonus and Other Employee Payables	**-**	-	**197.20**	178.93
Investor Education and Protection Fund, will be credited with following amounts (as and when due) Unpaid Dividends	**-**	-	**10.28**	8.81
Due to related party	**-**	-	**0.01**	0.10
	-	28.27	**2,524.68**	2,678.05

NOTE 18: PROVISIONS

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
For Employee Benefits (Refer Note 43)	**31.63**	27.30	**233.48**	225.23
Others:				
For Mines Restoration Expenditure	**134.47**	129.59	**-**	-
For Cost of transfer of Assets	**-**	-	**217.58**	270.81
	166.10	156.89	**451.06**	496.04

₹ in Crores

Note 18.1: Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

(a) Mines Restoration Expenditure:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**129.59**	91.76
Add: Balance Transferred from UNCL	**4.13**	-
Add: Provision during the year	**(6.69)**	30.53
Add: Unwinding of discount on Mine Restoration Provision	**7.44**	7.30
Closing Balance	**134.47**	129.59

(b) Provision for Cost of Transfer of Assets:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**270.81**	133.97
Add: Provision during the year	**-**	226.28
Less: Utilisation during the year	**(53.23)**	(89.44)
Closing Balance	**217.58**	270.81

NOTE 19: DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018	Recognised in Statement of Profit and Loss	Recognised in OCI	On Account of Acquisition (Refer Note 41)
Deferred Tax Assets:					
MAT Credit Entitlement	**(1,365.60)**	(1,168.40)	**(197.20)**	**-**	**-**
Provision allowed under tax on payment basis	**(162.74)**	(167.00)	**4.26**	**-**	**-**
Others	**(111.55)**	(103.01)	**(8.54)**	**(3.85)**	**-**
	(1,639.89)	(1,438.41)	**(201.48)**	**(3.85)**	**-**
Deferred Tax Liabilities:					
Tangible and Intangible Assets	**5,135.76**	4,487.87	**647.89**	**-**	**-**
Fair valuation of Investments	**30.77**	117.05	**(86.28)**	**-**	**-**
Others	**27.25**	16.19	**9.90**	**-**	**1.16**
	5,193.78	4,621.11	**571.51**	**-**	**1.16**
Net Deferred Tax Liability	**3,553.89**	3,182.70	**370.03**	**(3.85)**	**1.16**

₹ in Crores

NOTE 19: DEFERRED TAX LIABILITIES (NET) (Continued)

Deferred Tax Assets:

Particulars	As at March 31, 2018	As at March 31, 2017	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:					
MAT Credit Entitlement	(1,168.40)	(838.12)	(330.28)	-	-
Provision allowed under tax on payment basis	(167.00)	(159.01)	(7.99)	-	-
Others	(103.01)	(103.51)	4.07	(3.57)	-
Unabsorbed depreciation/losses	-	(56.45)	56.45	-	-
	(1,438.41)	(1,157.09)	(277.75)	(3.57)	-
Deferred Tax Liabilities:					
Tangible and Intangible Assets	4,487.87	3,785.39	690.95	-	11.53
Fair valuation of Investments	117.05	144.07	(27.02)	-	-
Others	16.19	10.00	6.19	-	-
	4,621.11	3,939.46	670.12	-	11.53
Net Deferred Tax Liability	3,182.70	2,782.37	392.37	(3.57)	11.53

In respect of Deferred taxes, all items are attributable to origination and reversal of temporary differences.

Deferred tax benefits are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which, those deductible temporary differences can be realised.

NOTE 20: OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Income on Government Grants	**4.33**	4.50
Others (Including Employee Share based payments)	**2.02**	2.07
	6.35	6.57

NOTE 21: CURRENT BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
Secured:		
Loans repayable on demand:		
From Banks – Cash Credits/Working Capital Borrowings (Secured by Hypothecation of Stocks and Book Debts of the Company)	**-**	56.57
Unsecured:		
Redeemable preference shares issued on Business Combination (Refer Note 42)	**1,000.10**	1,000.10
Loans repayable on demand: From Banks – Cash Credits/Working Capital Borrowings	**68.94**	694.86
Others:		
From Banks (includes commercial paper)	**859.05**	515.86
From Others (commercial paper)	**796.23**	496.05
	2,724.32	2,706.87
	2,724.32	2,763.44

₹ in Crores

NOTE 22: TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables (other than Micro and Small Enterprises)	**2,823.89**	2,374.74
Due to Related Party (Refer Note 45)	**0.84**	0.40
	2,824.73	2,375.14

NOTE 23: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from Customers and Others	**284.23**	304.95
Deferred Revenue	**0.17**	0.17
Others (including Provision for Expenses, Statutory liabilities)	**3,081.56**	2,444.25
	3,365.96	2,749.37

NOTE 24: REVENUE FROM OPERATIONS (Refer Note 61 and 65)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Sale of Products and Services			
Sale of Manufactured Products	**34,584.37**		30,414.25
Sale of Traded Products	**2,188.95**		1,004.48
Sale of Services	**1.37**		16.28
		36,774.69	31,435.01
Other Operating Revenues			
Scrap Sales	**70.85**		58.76
Lease Rent	**0.02**		0.06
Insurance Claim	**15.55**		20.01
Provision no longer required written back	**24.27**		9.23
Unclaimed Liabilities written back	**26.42**		23.23
Government Grants	**443.92**		304.58
Miscellaneous Income/Receipts	**23.48**		21.57
		604.51	437.44
		37,379.20	31,872.45

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 25: OTHER INCOME

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Interest Income on			
Government and Other Securities	**25.04**		34.80
Bank and Other Accounts	**46.99**		31.31
		72.03	66.11
Dividend Income on Current Investments - Mutual Fund		**22.45**	-
Exchange Gain (net)		**49.06**	30.25
Profit on Sale of Property, Plant & Equipment (net)		**3.33**	-
Fair Value movement in Derivative Instruments		**30.07**	3.07
Gain on Fair valuation of Investments through Profit or loss		**120.36**	263.57
Profit on Sale of Current and Non-Current Investments (net)		**122.08**	114.81
Provision no longer required written back		**0.22**	104.42
Others		**18.47**	6.34
		438.07	588.57

NOTE 26: COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Stock	**317.87**	281.12
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	**3.04**	(0.40)
Add: Stock transferred from JAL, JCCL and UNCL	**3.26**	8.72
Purchases	**5,471.21**	4,548.03
	5,795.38	4,837.47
Less: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	**0.49**	(0.35)
Less: Closing Stock	**385.88**	317.87
	5,409.01	4,519.95

NOTE 27: PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Grey Cement	**804.46**	434.16
Others (Ultratech Building Solution)	**434.08**	445.87
	1,238.54	880.03

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Closing Inventories		
Work-in-progress	**681.55**	613.26
Finished Goods	**365.97**	294.21
Stock in Trade	**30.35**	11.11
Add/(Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	**0.56**	(0.24)
	1,078.43	918.34
Opening Inventories		
Work-in-progress	**613.26**	429.86
Finished Goods	**294.21**	360.36
Stock in Trade	**11.11**	(2.49)
Add/(Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	**2.20**	(0.28)
	920.78	787.45
(Increase)/Decrease in Inventories	**(157.65)**	(130.89)
Add: Stock transferred from JAL, JCCL and UNCL	**28.74**	66.79
Add: Reversal in Excise Duty on Inventories	**-**	(53.70)
Add: Stock Transfer from Pre-Operative Account	**8.46**	6.60
	(120.45)	(111.20)

NOTE 29: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, Wages and Bonus	**1,843.45**	1,618.59
Contribution to Provident and Other Funds		
– Contribution to Gratuity Fund and Other Defined Benefit Plans	**87.69**	92.81
– Contribution to Superannuation and Other Defined Contribution Funds	**22.67**	12.96
Expenses on Employees Stock Options Scheme	**9.60**	7.85
Staff Welfare Expenses	**95.38**	78.03
	2,058.79	1,810.24

₹ in Crores

NOTE 30: FINANCE COSTS

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Interest Expense:			
On Borrowings (at amortised cost)	1,432.52		1,147.42
Others (including interest on deposits from dealers and contractors)	108.69		74.48
Interest paid to Income Tax Department	0.23		4.85
Unwinding of discount on Mine Restoration Provision	7.44		7.30
		1,548.88	1,234.05
Other Borrowing Cost (Finance Charges)		6.14	5.99
Less: Finance Costs Capitalised		(6.45)	(2.44)
		1,548.57	1,237.60

Borrowing costs are capitalised using rates based on specific borrowings ranging between 7.34% to 7.88% per annum. (For the year ended March 31, 2018: 7.50% to 9.15%.)

NOTE 31: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation	2,003.54	1,739.52
Amortisation	97.05	65.49
Obsolescence	39.21	42.92
	2,139.80	1,847.93

NOTE 32: FREIGHT AND FORWARDING EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
On Finished Products	7,308.24	6,060.64
On Clinker Transfer	1,538.50	1,249.35
	8,846.74	7,309.99

NOTE 33: OTHER EXPENSES

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of Stores, Spare Parts and Components	769.23	726.09
Consumption of Packing Materials	1,174.18	962.47
Repairs to Plant and Machinery, Building and Others	722.86	639.29
Insurance	67.48	68.65
Rent (including Lease Rent) (Refer Note 60)	162.55	158.74
Rates and Taxes	165.37	161.65
Directors' Fees	0.36	0.32
Directors' Commission	18.00	21.25
Contribution to General Electoral Trust	23.00	3.00
Advertisement	316.78	245.72
Sales Promotion and Other Selling Expenses	463.71	371.24
Exchange Loss (net)	-	3.67
Miscellaneous Expenses	871.17	766.61
	4,754.69	4,128.70

Notes to Consolidated Financial Statements (Continued)

NOTE 34: PRINCIPLES OF CONSOLIDATION

These Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interests in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which controls commences until the date on which control ceases.

(ii) Non-controlling interest (NCI)

NCI are measured at their proportionate share of the acquirer's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

(iv) Equity accounted investees

The Group's interests in equity accounted investees comprise interest in associates and joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

(v) Transactions eliminated on consolidation

The financial statements of the Company, its Subsidiaries, Joint Ventures and Associates used in the consolidation procedure are drawn upto the same reporting date i.e. March 31, 2019.

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. The Company follows uniform accounting policies for like transactions and other events in similar circumstances.

NOTE 34: PRINCIPLES OF CONSOLIDATION (Continued)

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of the Company	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
(i) Subsidiary Companies:			
(a) Dakshin Cements Limited	India	100%	100%
(b) UltraTech Cement Lanka Private Limited	Sri Lanka	80%	80%
(c) Harish Cement Limited	India	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80%!	80%!
(e) PT UltraTech Investments Indonesia	Indonesia	100%&	100%&
(f) UltraTech Cement SA (PTY) @@	South Africa	-	-
(g) UltraTech Cement Middle East Investments Limited (UCMEIL)	United Arab Emirates	100%	100%
(h) Star Cement Co. LLC, Dubai*	United Arab Emirates	100%$	100%$
(i) Star Cement Co. LLC, Ras-Al-Khaimah*	United Arab Emirates	100%$	100%$
(j) Al Nakhla Crusher LLC, Fujairah*	United Arab Emirates	100%$	100%$
(k) Arabian Cement Industry LLC, Abu Dhabi*	United Arab Emirates	100%$	100%$
(l) UltraTech Cement Bahrain Company WLL Bahrain (formerly known as Arabian Gulf Cement Co W.L.L)*	Bahrain	100%^	100%^
(m) Emirates Power Company Limited, Bangladesh*	Bangladesh	100%	100%
(n) Emirates Cement Bangladesh Limited, Bangladesh*	Bangladesh	100%	100%
(o) Awam Minerals LLC, Oman*	Oman	37%##	37%##
(p) Bhagwati Limestone Company Private Limited (BLCPL)	India	100%	100%
(q) UltraTech Cement Mozambique Limitada, Mozambique@@	Mozambique	-	-
(r) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(s) PT UltraTech Cement Indonesia#	Indonesia	99%	99%
(t) PT UltraTech Mining Sumatera #	Indonesia	100%	100%
(u) UltraTech Nathdwara Cement Limited (UNCL) (formerly known as Binani Cement Limited) $$	India	100%	-
(v) Smooth Energy Private Limited (formerly known as Binani Energy Private Limited) $$	India	100%!!	-
(w) Bahar Ready Mix Concrete Limited (formerly known as Binani Ready Mix Concrete Limited)$$	India	100%!!	-
(x) Merit Plaza Limited $$	India	100%!!	-
(y) Swiss Mercandise Infrastructure Limited $$	India	100%!!	-
(z) Krishna Holdings PTE Limited (KHPL) $$	Singapore	100%&&	-

NOTE 34: PRINCIPLES OF CONSOLIDATION (Continued)

Name of the Company	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
(aa) Bhumi Resources PTE Limited (BHUMI) $$	Singapore	100%!!	-
(ab) Murari Holdings Limited (MUHL)$$	Birtish Virgin Islands	100%!!	-
(ac) Mukundan Holdings Limited (MHL) $$	Birtish Virgin Islands	100%!!	-
(ad) Binani Cement Factory LLC (BCFLLC) $$	United Arab Emirates	100%**	-
(ae) Binani Cement (Tanzania) Limited $$	Tanzania	100%***	-
(af) BC Tradelink Limited., Tanzania $$	Tanzania	100%***	-
(ag) Shandong Binani Rongan Cement Company Limited (SBRCC), China $$	Republic of China	92.50%^^	-
(ah) PT Anggana Energy resources (Anggana), Indonesia $$	Indonesia	100%^^^	-
(ai) Binani Cement (Uganda) Limited $$	Uganda	100%***	-
(ii) Joint Operations: Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%
(iii) Associate:			
(a) Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
(b) Aditya Birla Renewable SPV 1 Limited	India	26.00%	26.00%

! 4% Shareholding of UCMEIL.

& 5% Shareholding of UCMEIL.

Ceased control with effect from April 24, 2017

* Subsidiaries of UCMEIL.

$ 51% held by nominee as required by local law for beneficial interest of the Company.

^ 1 share held by employee as nominee for the beneficial interest of the Company.

Subsidiary of PT UltraTech Investments Indonesia.

@@ Ceased to exist with effect from July 06, 2017

$$ with effect from November 20, 2018

!! Wholly owned subsidiary of UNCL

&& 55.54% held by UNCL and 44.46% held by MHL

** 51% held by MUHL and 49% held by MHL

*** Wholly owned Subsidiary of BCFLLC

^^ Subsidiary of KHPL

^^^ Wholly owned subsidiary of BHUMI

NOTE 35: GOODWILL ON CONSOLIDATION

Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

NOTE 36:

Pursuant to loss of control in Awam Minerals LLC with effect from April 24, 2017, the investments have been reclassified to Investment measured at Fair value through and Profit or Loss. In the previous year, the Company has made a provision of ₹ 31.47 Crores towards impairment arising from fair valuation of the investments and written off ₹ 13.99 Crores towards working capital loans on the basis of board resolution dated December 10, 2017 and had disclosed the same as an exceptional item in the Statement of Profit and Loss. Further, the Company has derecognised goodwill of ₹ 55.07 Crores on loss of control.

NOTE 37: CONTINGENT LIABILITIES (to the extent not provided for) (Ind AS 37)

(a) Claims against the Group not acknowledged as debt:

₹ in Crores

	Particulars	Brief Description of Matter	As at March 31, 2019	As at March 31, 2018
(a)	Excise Duty and Service Tax Matters	Related to valuation matter (Rule 8 vs. Rule 4), Denial of Cenvat credit on ISD/GTA and others	**1,518.70**	1,178.56
(b)	Sales-tax/VAT/Entry Tax Matters	Related to stock transfer treated as interstate sales, Demand on freight component and levy of purchase tax on exempted supply, Demand of Entry Tax and others	**436.76**	432.45
(c)	Royalty on Limestone/ Marl/Shale	Based on fixed conversion factor on limestone, royalty rate difference on Marl and additional royalty on mines transfer	**352.92**	184.00
(d)	Land Related Matters	Demand of Higher Compensation	**239.80**	-
(e)	Electricity Duty/Energy Development Cess	Related to electricity duty, Minimum power consumption, Energy development cess and denial of electricity duty exemption	**202.92**	179.40
(f)	Customs	Related to classification dispute	**190.18**	179.37
(g)	State Industrial Incentive Matters	Related to matters on quantum	**181.86**	174.45
(h)	Others (primarily related to Income Tax, Fly ash matters, road tax etc.)	Related to stamp duty, claim raised by vendor/ supplier, Road Tax matter, Income Tax matters and others	**348.09**	316.48

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/authorities.

(b) The Company had filed appeals against the orders of the Competition Commission of India ("CCI") dated August 31, 2016 and January 19, 2017. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing the Company's appeal against the CCI order dated August 31, 2016, the Hon'ble Supreme Court has, by its order dated October 05, 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount of ₹ 117.55 Crores equivalent to 10% of the penalty amount. UNCL has also filed an appeal in the Supreme Court against a similar CCI Order dated August 31, 2016 and has deposited an amount of ₹ 16.73 Crores equivalent to 10% of the penalty amount. The Company, backed by legal opinions, believes that it has a good case in both the matters and accordingly no provision has been made in the accounts.

(c) Guarantees:

The Company has issued corporate guarantees as under:

(i) In favour of the Banks/Lenders on behalf of its Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:

- Bhaskarpara Coal Company Limited (JV) ₹ 4 Crores (March 31, 2018 ₹ 4.00 Crores).

NOTE 37: CONTINGENT LIABILITIES (to the extent not provided for) (Ind AS 37) (Continued)

(ii) In favour of the Government Authority of an amount not exceeding ₹ Nil Crores (March 31, 2018 ₹ 3.00 Crores) towards exemption from payment of excise duty.

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

UCLPL filed a Writ Application in the Court of Appeal in seeking inter alia to quash the aforesaid decision by Sri Lankan Customs to hold the said inquiry. However, the application was dismissed by the Court of Appeal on March 28, 2014. UCLPL filed a Special Leave Application in the Supreme Court against the judgment of the Court of Appeal in the above Writ Application which is currently pending before the Supreme Court and fixed to be mentioned before Supreme Court on May 30, 2019.

(e) In one of the case, UCLPL filed the appeal against the Director General of Customs and the inquiring officer appointed in terms of the Customs Ordinance for the customs case No PCAD/HQO/091/2016 initiated at the Sri Lankan customs, on the alleged basis that UCLPL has not declared the unloading charges (stevedoring charges) paid to the Sri Lanka Ports Authority in relation to imported cement.

The matter has been fixed for the Respondents objections to be filed on or before May 06, 2019 and for UCLPL's counter objections to be filed on or before June 07, 2019. The matter has also been fixed for argument on July 10, 2019.

(f) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Pending decision on the subject review petition and directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

NOTE 38: CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 1,086.04 Crores. (March 31, 2018 ₹ 937.15 Crores).

NOTE 39:

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company has requested the State Government to consider reinstatement of the mines in its favour.

NOTE 40: ACQUISITION OF CEMENT BUSINESS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

During the year the Company's Board of Directors approved a Scheme of Arrangement amongst Century Textiles and Industries Limited ("Century"), the Company and their respective shareholders and creditors ("the Scheme"). In terms of the Scheme, Century will de-merge its cement business into the Company. Century's cement business consists of 3 integrated cement units in Madhya Pradesh, Chhattisgarh and Maharashtra with a total capacity of 12.6 mpta and a grinding unit in West Bengal of 2.0 mtpa.

Upon effectiveness of the Scheme, equity shares of the Company shall be issued to shareholders of Century, as on the Record Date, as defined in the Scheme, in the ratio of 1 (one) equity share of the Company of face value ₹ 10/- each for every 8 (eight) equity shares of Century. The Scheme has received approval of the stock exchanges, the Competition Commission of India and the shareholders of the Company and is now awaiting the approval of the National Company Law Tribunal and other regulatory authorities, as may be required.

NOTE 41: ACQUISITION OF BINANI CEMENT LIMITED (Ind AS 103)

A. NCLAT by its order dated November 14, 2018, approved the Company's Resolution Plan ("RP") for acquiring Binani Cement Limited ("BCL") under the provisions of the Insolvency and Bankruptcy Code 2016, as amended ("Code"). With effect from November 20, 2018, being the Transfer Date, in terms of the Resolution Plan the existing issued, subscribed and paid up share capital of BCL (including 0.01% non-cumulative redeemable preference shares of ₹ 100/- each) stands cancelled fully, without requiring any further act or deed. Subsequent to the reconstitution of the Board of Directors, taking over management control and subscribing to the equity and preference share capital, BCL has become a wholly owned subsidiary of the Company (100% Voting interest) and has since been renamed UltraTech Nathdwara Cement Limited ("UNCL"), with effect from December 13, 2018.

The Consolidated financial statements include the financial results for UNCL w.e.f. November 20, 2018 and hence the figures for the year ended March 31, 2019 are not comparable with the previous corresponding period.

UNCL has a capacity of 6.25 MTPA in the State of Rajasthan comprising an integrated cement unit with capacity of 4.85 MTPA and a split grinding unit with capacity of 1.4 MTPA. In addition, UNCL has investments in subsidiaries in China and UAE.

This acquisition will create value for shareholders as the acquisition adds 1/3rd additional ready to use capacity in the highly growing North market where the Company was already at high capacity utilisation levels so as to cater to the growing market. This acquisition also provides abundant additional limestone reserves sufficient to cater to even additional capacities at lower prices compared to auctioned prices and creates synergies in logistics and procurement which offers many advantages to the Company.

B. Consequent to the acquisition, the Holding Company subscribed to equity share capital of ₹ 1,500 Crores and 8.75% preference share capital of ₹ 1,900 Crores of UNCL and provided an Inter corporate loan of ₹ 1,799.75 Crores to UNCL. Further, UNCL obtained a loan (non-current borrowing) of ₹ 2,700.00 Crores (pursuant to a corporate guarantee provided by the Holding Company). Subsequently, the group paid to financial and operational creditors as per the RP.

C. Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade Receivables and Other Financial Assets was ₹ 1,159.71 Crores against which no provision had been considered since fair value of the acquired Receivables were equal to carrying value as on the date of acquisition.

D. The Fair Value of Assets and Liabilities assumed as on the acquisition date:

₹ in Crores

Particulars	Amount
Property, Plant and Equipment	2,833.78
Capital Work-In-Progress	9.05
Intangible assets	1,712.50
Non-Current Loans	1,058.85
Non-Current Financial Asset	0.48
Other Non-Current Assets	5.88
Inventories	75.91
Trade and Other receivables	8.77
Cash & Cash Equivalents	38.52
Bank Balances other than above	20.54
Current Loans	57.92
Other Current Financial Assets	1.05
Other Current Assets	30.31
Assets of disposal group held for sale	1,037.20
Total Assets (A)	**6,890.76**

₹ in Crores

NOTE 41: ACQUISITION OF BINANI CEMENT LIMITED (Ind AS 103) (Continued)

Particulars	Amount
Other Non-Current Financial Liabilities	36.84
Non-Current Provision	10.06
Deferred Tax Liabilities	1.16
Current Borrowings	35.13
Trade Payables	510.68
Other Current Financial Liabilities (including current maturities of non-current borrowings)	7,321.14
Other Current Liabilities	242.44
Current Provisions	2.00
Liabilities included in disposal group held for sale	489.00
Total Liabilities (B)	**8,648.45**
Goodwill Recognised (B – A)	**1,757.69**

As per Ind AS 103, purchase consideration has been allocated on the basis of fair valuation determined by an independent Valuer.

Goodwill represents growth potential through brown field expansion at a lower cost compared to a green-field plant cost by developing and utilising acquired land and limestone reserves.

E. Acquisition related costs

Acquisition related costs of ₹ 24.32 Crores on legal fees, due diligence costs, valuation fees, etc. have been recognized under Miscellaneous Expenses and Rates and Taxes in the Statement of Profit and Loss.

F. (a) The Revenue and Profit / (Loss) after Tax of UNCL for the period ended March 31, 2019 from the acquisition date are ₹ 485.44 Crores and ₹ (59.63) Crores respectively which has been included in the consolidated financial statements of the Company.

(b) If the acquisition had occurred on April 01, 2018, consolidated revenue and consolidated profit for the year ended March 31, 2019 would have been ₹ 39,294.15 Crores and ₹ 1,191.42 Crores (after considering loss on exceptional items of ₹ 923.52 Crores), respectively. Management has determined these amounts on the basis that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on April 01, 2018.

NOTE 42: ACQUISITION OF IDENTIFIED CEMENT UNITS OF JAL AND JCCL (Ind AS 103)

A. Pursuant to the Scheme of Arrangement between the Company, JAL, JCCL and their respective shareholders and creditors ("the Scheme"), the Company had acquired identified cement units of JAL and JCCL on June 29, 2017 at an enterprise valuation of ₹ 16,189.00 Crores having total cement capacity of 21.2 MTPA including 4 MTPA under construction. The acquisition provides the Company a geographic market expansion with entry into high growth markets where it needed greater reinforcement and creating synergies in manufacturing, distribution and logistics which offers many advantages. This will also create value for shareholders with the ready to use assets reducing time to markets, availability of land, mining leases, fly ash and railway infrastructure leading to overall operating costs advantage.

B. Fair Value of the Consideration transferred:

Against the total enterprise value of ₹ 16,189.00 Crores, the Company had taken over borrowings of ₹ 10,189.00 Crores and negative working capital of ₹ 1,375.00 Crores from JAL and JCCL. After taking these liabilities into account, effective purchase consideration of ₹ 4,625.00 Crores had been discharged as under:

₹ in Crores

NOTE 42: ACQUISITION OF IDENTIFIED CEMENT UNITS OF JAL AND JCCL (Ind AS 103) (Continued)

Particulars	Amount
Issue of 6.37% Non-Convertible Debentures	3,124.90
Issue of Redeemable Preference Shares	1,500.10*
Total Consideration transferred for Business Combination	**4,625.00**

* Redemption is linked with fulfilment of certain conditions. Out of that, ₹ 500 Crores have already been redeemed in the previous year.

C. Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade Receivables and Other Financial Assets was ₹ 17.07 Crores against which no provision had been considered since fair value of the acquired Receivables were equal to carrying value as on the date of acquisition.

D. The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date:

Particulars	Amount
Property, Plant and Equipment	11,689.69
Capital Work-In-Progress	218.78
Intangible assets	2,715.88
Other Non-Current Assets	1,604.43
Inventories	246.88
Trade and Other receivables	16.21
Other Financial Assets	0.86
Other Current Assets	30.49
Total Assets	**16,523.22**
Non-Current Borrowings	10,189.00
Current Borrowings	497.55
Provisions	28.67
Trade Payables	806.05
Other Financial Liabilities	33.19
Other Current Liabilities	303.97
Total Liabilities	**11,858.43**
Total Fair Value of the Net Assets	**4,664.79**

E. Amount recognised directly in other equity (Capital Reserve):

Particulars	Amount
Fair value of the net assets acquired	4,664.79
Less: Fair value of consideration transferred	4,625.00
Capital Reserve	**39.79**

F. Acquisition related costs

During the previous year acquisition related costs of ₹ 5.57 Crores had been recognised under Miscellaneous Expenses and Rates and Taxes in the Statement of Profit and Loss. The stamp duty paid/payable on transfer of the assets amounting to ₹ 226.28 Crores had been charged to the Statement of Profit and Loss and had been shown as an exceptional item during the previous year.

G. The Company runs an integrated operation with material movement across geographies and a common sales organization responsible for existing business as well as acquired business. Therefore, separate sales information for the acquired business is not exactly available and accordingly disclosures for revenue and profit/loss of the acquired business since acquisition date have not been made.

NOTE 42: ACQUISITION OF IDENTIFIED CEMENT UNITS OF JAL AND JCCL (Ind AS 103) (Continued)

Further, it is impracticable to provide revenue and profit/loss of the combined entity for the previous year as though the acquisition date had been April 01, 2017 since these amounts relating to the acquired business for the period prior to the acquisition date are not readily available with the Company.

NOTE 43: EMPLOYEE BENEFITS (Ind AS 19)

A. Defined Benefit Plans:

(a) Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Group and is in accordance with the Rules of the Group for payment of gratuity.

Inherent Risk

The plan is defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Group to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

(b) Pension:

The Group considers pension for some of its employees at senior management based on the period of service and contribution for the Group.

(c) Post-Retirement Medical Benefits:

The Company provides post-retirement medical benefits to certain ex-employees who were transferred under the Scheme of arrangement for acquiring Larsen & Toubro cement business and eligible for such benefits from earlier Company.

₹ in Crores

	Particulars	As at March 31, 2019				As at March 31, 2018			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
		Funded	Others			Funded	Others		
(i)	**Change in defined benefit obligation**								
	Balance at the beginning of the year	451.75	22.95	7.57	0.58	407.33	20.49	7.88	0.61
	Effect of Loss of Control in Subsidiary	-	-	-	-	-	(0.19)	-	-
	Adjustment of:								
	Current Service Cost	36.45	3.30	-	-	33.29	2.95	-	-
	Past Service Cost	-	0.67	-	-	2.12	-	-	-
	Interest Cost	33.87	1.05	0.55	0.04	29.13	0.90	0.48	0.04
	Actuarial (gains) losses recognised in Other Comprehensive Income:								
	– Change in Financial Assumptions	11.61	(1.90)	0.07	0.01	(16.65)	0.05	(0.27)	(0.02)
	– Change in Demographic Assumptions	(0.05)	-	(0.24)	(0.01)	(5.27)	-	-	-
	– Experience Changes	6.36	0.71	0.05	0.01	(8.53)	(0.36)	0.39	0.01
	Benefits Paid	(28.08)	0.04	(0.91)	(0.06)	(22.30)	(0.89)	(0.91)	(0.06)
	Obligation transferred from JAL/JCCL/UNCL	8.64	-	-	-	32.63	-	-	-
	Balance at the end of the year	520.56	26.82	7.09	0.57	451.75	22.95	7.57	0.58

₹ in Crores

NOTE 43: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

	Particulars	As at March 31, 2019				As at March 31, 2018			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
		Funded	Others			Funded	Others		
(ii)	**Change in Fair Value of Assets**								
	Balance at the beginning of the year	**497.64**	-	-	-	431.70	-	-	-
	Expected Return on Plan Assets	**37.37**	-	-	-	30.96	-	-	-
	Re measurements due to: Actual Return on Plan Assets less interest on Plan Assets	**2.72**	-	-	-	7.31	-	-	-
	Contribution by the employer	**36.93**	-	-	-	22.30	-	-	-
	Benefits Paid	**(28.08)**	-	-	-	(22.30)	-	-	-
	Assets transferred from JAL/JCCL/UNCL	**3.85**	-	-	-	27.67	-	-	-
	Balance at the end of the year	**550.43**	-	-	-	497.64	-	-	-
(iii)	**Net Asset/(Liability) recognised in the Balance Sheet**								
	Present value of Defined Benefit Obligation	**(520.56)**	**(26.82)**	**(7.09)**	**(0.57)**	(451.75)	(22.95)	(7.57)	(0.58)
	Fair Value of Plan Assets	**550.43**	**-**	**-**	**-**	497.64	-	-	-
	Net Asset/(Liability) in the Balance Sheet	**29.87**	**(26.82)**	**(7.09)**	**(0.57)**	45.89	(22.95)	(7.57)	(0.58)
(iv)	**Expenses recognised in the Consolidated Statement of Profit and Loss**								
	Current Service Cost	**36.45**	**3.30**	**-**	**-**	33.29	2.95	-	-
	Past Service Cost	**-**	**0.67**	**-**	**-**	2.12	-	-	-
	Interest Cost	**33.87**	**1.05**	**0.55**	**0.04**	29.13	0.90	0.48	0.04
	Expected Return on Plan Assets	**(37.37)**	**-**	**-**	**-**	(30.96)	-	-	-
	Total Expense	**32.95**	**5.02**	**0.55**	**0.04**	33.58	3.85	0.48	0.04
	Less: Transferred to Pre-operative Expenses	**-**	**-**	**-**	**-**	(0.15)	-	-	-
	Amount charged to the Consolidated Statement of Profit and Loss	**32.95**	**5.02**	**0.55**	**0.04**	33.43	3.85	0.48	0.04
(v)	**Re-measurements recognised in Other Comprehensive Income (OCI):**								
	Changes in Financial Assumptions	**11.61**	**(1.90)**	**0.07**	**0.01**	(16.65)	0.05	(0.27)	(0.02)
	Changes in Demographic Assumptions	**(0.05)**	**-**	**(0.24)**	**(0.01)**	(5.27)	-	-	-
	Experience Adjustments	**6.36**	**0.71**	**0.05**	**0.01**	(8.53)	(0.36)	0.39	0.01
	Actual return on Plan assets less interest on plan assets	**(2.72)**	**-**	**-**	**-**	(7.31)	-	-	-
	Amount recognised in Other Comprehensive Income (OCI):	**15.20**	**(1.19)**	**(0.12)**	**0.01**	(37.76)	(0.31)	0.12	(0.01)

₹ in Crores

NOTE 43: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

	Particulars	As at March 31, 2019				As at March 31, 2018			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
		Funded	Others			Funded	Others		
(vi)	**Maturity profile of defined benefit obligation:**								
	Within the next 12 months	**60.10**	**3.38**	**0.97**	**0.06**	52.05	2.90	0.07	0.06
	Between 1 and 5 years	**172.24**	**6.48**	**3.33**	**0.24**	150.40	6.52	0.28	0.24
	Between 5 and 10 years	**181.38**	**9.46**	**2.63**	**0.23**	165.75	6.28	0.27	0.23
	10 Years and above	**859.68**	**36.30**	**4.44**	**0.52**	763.40	21.63	0.84	0.61
(vii)	**Sensitivity analysis for significant assumptions:* Increase/(Decrease) in present value of defined benefits obligation at the end of the year**								
	1% increase in discount rate	**(43.58)**	**(2.21)**	**(0.34)**	**(0.03)**	(37.50)	(2.10)	(0.49)	(0.04)
	1% decrease in discount rate	**50.85**	**2.57**	**0.37**	**0.04**	43.64	2.48	0.55	0.04
	1% increase in salary escalation rate	**50.04**	**2.54**	**-**	**-**	43.01	2.42	-	-
	1% decrease in salary escalation rate	**(43.74)**	**(2.22)**	**-**	**-**	(37.68)	(2.09)	-	-
	1% increase in employee turnover rate	**(14.69)**	**0.03**	**-**	**-**	(12.24)	(0.20)	-	-
	1% decrease in employee turnover rate	**16.11**	**(0.05)**	**-**	**-**	14.41	0.22	-	-
(viii)	**The major categories of plan assets as a percentage of total plan @**								
	Insurer Managed Funds	**100%**	**N.A.**	**N.A.**	**N.A.**	100%	N.A.	N.A.	N.A
(ix)	**Actuarial Assumptions:**								
	Discount Rate (p.a.)	**7.65-7.79%**	**5-11.28%**	**7.65%**	**7.65%**	7.90%	3.2-10.5%	7.90%	7.90%
	Turnover Rate	**1.5% to 8.00%**	**1-12%**	**-**	**-**	1.5% to 8.00%	1-12%	-	-
	Mortality tables	**Indian Assured Lives Mortality (2012-14)/ (2006-08)**	**	**S1PA mortality table adjusted suitably**		Indian Assured Lives Mortality (2006-08)	**	PA(90) mortality table rated down by 4 years	
	Salary Escalation Rate (p.a.)	**7.00-8.00%**	**5.5-10%**	**-**	**-**	8.00%	5-10%	-	-

NOTE 43: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

	Particulars	As at March 31, 2019				As at March 31, 2018			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
		Funded	Others			Funded	Others		
	Retirement age: Management - Non-Management-	60 Yrs. 58 Yrs.	55-60 Yrs.	-	-	60 Yrs. 58 Yrs.	55-60 Yrs.	-	-
(x)	Weighted Average duration of Defined benefit obligation	9.0-11.0 Yrs.	5.5-11.86 Yrs.	6.5 Yrs.	6.1 Yrs.	8.9 Yrs.	6.4-13.0 Yrs.	7.0 Yrs.	6.5 Yrs.

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

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

** GA 1983 Mortality Table/UK Mortality Table AM92 [UK] & Indian Assured Lives Mortality (2006-08) Ult table

(xi) Discount Rate:

The discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligations.

(xii) Salary Escalation Rate:

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

(xiii) Asset Liability matching strategy:

The money contributed by the Group to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Group to fully prefund the liability of the Plan. The Group's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

(xiv) The Group's expected contribution during next year is ₹ Nil Crores (March 31, 2018 ₹ Nil Crores).

NOTE 43: EMPLOYEE BENEFITS (Ind AS 19) (Continued)

(d) Provident Fund:

The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same.

Amount recognized as an expense under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 94.93 Crores (March 31, 2018 ₹ 86.76 Crores).

The actuary has provided for a valuation and based on the below provided assumptions there is no interest shortfall as at March 31, 2019 and March 31, 2018.

₹ in Crores

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Plan Assets at Fair Value**	**1,196.03**	957.22
(b)	**Present value of defined benefit obligation at year end**	**1,193.89**	956.96
(c)	**Liability recognised in Balance Sheet**	**NIL**	NIL
(d)	**Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach**		
	Government of India bond yield for the outstanding term of liabilities	**7.65%**	7.90%
	Remaining term of the maturity of Investment Portfolio	**13.72 Yrs.**	13.85 Yrs.
	Discount Rate for the remaining term of the maturity of Investment Portfolio	**8.56%**	8.63%
	Expected Guaranteed Interest Rate	**8.65%**	8.55%

B. Amount recognized as an expense in respect of Compensated Absences is ₹ 25.89 Crores (March 31, 2018 ₹ 15.87 Crores).

C. Amount recognized as expense for other long term employee benefits is ₹ 0.96 Crores (March 31, 2018 ₹ 0.87 Crores).

NOTE 44: SEGMENT REPORTING (Ind AS 108)

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

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

Particulars	Revenue from External Customers		Non-Current Assets	
	Year Ended March 31, 2019	Year Ended March 31, 2018	As at March 31, 2019	As at March 31, 2018
India (Country of Domicile)	**34,814.85**	28,618.92	**47,758.82**	41,642.66
Others	**1,959.84**	1,922.26	**2,313.81**	2,252.28
Total	**36,774.69**	30,541.18	**50,072.63**	43,894.94

Notes to Consolidated Financial Statements (Continued)

NOTE 45: RELATED PARTY DISCLOSURES (Ind AS 24)

Names of Related Parties with whom transactions were carried out during the year:

Name of Related Party	Relationship
Grasim Industries Limited	Holding Company
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited (formerly known as Birla Sun Life Insurance Company Limited)	Fellow Subsidiary
Aditya Birla Health Insurance Limited	Fellow Subsidiary
ABNL Investment Limited	Fellow Subsidiary
Aditya Birla Renewable SPV 1 Limited	Associate
Bhaskarpara Coal Company Limited	Joint Venture
Ultratech Provident Fund	Post-Employment Benefit Plan
Bharucha & Partners	Entity Controlled by Key Management Personnel
Dave Girish & Company	Entity Controlled by Key Management Personnel
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. D.D. Rathi – Non-Executive Director (Till July 27, 2018)	Key Management Personnel (KMP)
Mr. O.P Puranmalka - Non-Executive Director	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mr. G.M. Dave - Independent Director	Key Management Personnel (KMP)
Mrs. Alka Bharucha - Independent Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu - Independent Director	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mrs. Renuka Ramnath - Independent Director	Key Management Personnel (KMP)
Mr. K.K. Maheshwari - Managing Director	Key Management Personnel (KMP)
Mr. K. C. Jhanwar – Deputy Managing Director (w.e.f. October 19, 2018)	Key Management Personnel (KMP)
Mr. Atul Daga - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Kritika Daga	Relative of KMP (Wife of Mr. Atul Daga)

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

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Goods:		
Holding Company	**16.09**	11.73
Fellow Subsidiary	**-**	0.02
Total	**16.09**	11.75
Purchase of Goods:		
Holding Company	**2.69**	1.93
Fellow Subsidiary	**-**	0.01
Associate	**12.66**	0.20
Total	**15.35**	2.14

₹ in Crores

NOTE 45: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

Nature of Transaction/Relationship	Year Ended March 31, 2019	Year Ended March 31, 2018
Purchase of Fixed Assets		
Fellow Subsidiary	0.24	-
Services received from:		
Holding Company	1.77	1.16
Fellow Subsidiary	12.33	7.33
KMP	35.89	38.40
Entity Controlled by KMP	0.04	0.03
Relative of KMP	0.27	0.26
Total	50.30	47.18
Services rendered to:		
Holding Company	1.22	0.11
Dividend Paid		
Holding Company	173.60	165.34
Contribution to:		
Post-Employment Benefit Plan	129.79	102.43

(b) **Outstanding balances:**

Nature of Transaction/Relationship	As at March 31, 2019	As at March 31, 2018
Loans and Advances:		
Holding Company	0.30	0.79
Fellow Subsidiary	7.68	5.31
Joint Venture	2.49	2.49
Total	10.47	8.59
Trade Receivables:		
Holding Company	0.99	1.94
Trade Payables:		
Holding Company	0.27	0.21
Associate	0.57	0.19
Total	0.84	0.40
Deposit:		
KMP (Pending Shareholder's Approval)	3.59	-
Relative of KMP	5.00	5.00
Total	8.59	5.00
Corporate Guarantees:		
Joint Ventures	4.00	4.00

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

NOTE 45: RELATED PARTY DISCLOSURES (Ind AS 24) (Continued)

(c) **Compensation of KMP of the Company:**

Nature of transaction	Year Ended March 31, 2019	Year Ended March 31, 2018
Short-term employee benefits	**17.54**	16.83
Post – employment benefits	**1.24**	0.67
Share based payment	**1.79**	1.13
Total compensation paid to KMP	**20.57**	18.63

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

Compensation paid for the year ended March 31, 2019 includes remuneration paid to Mr. K.C. Jhanwar, Deputy Managing Director, which is subject to shareholders approval in ensuing Annual general meeting.

The Company is a member of Aditya Birla Management Corporation Private Limited (ABMCPL), a company limited by guarantee formed for the purpose of its members to mutually avail and share common facilities, expertise and other support on an arms' length basis. The transactions between the Company and ABMCPL are approved by the Audit Committee and during the year the amount spent on such transactions is ₹ 172.69 Crores.

Terms and Conditions of transactions with Related Parties:

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

For the year ended March 31, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 46: INCOME TAXES (Ind AS 12)

(i) **Reconciliation of effective tax rate:**

In %

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Applicable tax rate	**34.94**	34.61
Effect of Tax Exempt Income	**(0.47)**	(0.36)
Effect of Non-Deductible expenses	**1.28**	1.02
Effect of Allowances for tax purpose	**(3.21)**	(2.16)
Effect of Tax paid at a lower rate	**(1.38)**	(0.99)
Effect of Previous year adjustments	**(0.12)**	(1.02)
Effect of changes in Tax rate	**-**	1.26
Effect of Lower Jurisdiction Tax Rate	**(0.70)**	-
Others	**0.93**	0.25
Effective Tax Rate	**31.28**	32.61

(ii) At March 31, 2019 a deferred tax liability of ₹ 60.36 Crores (March 31, 2018 ₹ 48.88 Crores) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognized because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.

NOTE 46: INCOME TAXES (Ind AS 12) (Continued)

(iii) The Company has not recognized Deferred Tax Assets on the unabsorbed depreciation, business losses and other temporary differences amounting to ₹ 670.04 Crores in respect of a Subsidiary, since it is not probable that future taxable income will be available wherein such deferred tax assets can be realized in normal course of business.

NOTE 47 – EARNINGS PER SHARE (EPS) (Ind AS 33)

₹ in Crores

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	**2,434.72**	2,222.17
(ii) Weighted average number of Equity Shares outstanding (Nos.)	**274,632,160**	274,543,934
(iii) Less: Treasury Shares acquired by the Company under Trust	**(202,022)**	-
(iv) Weighted average number of Equity Shares outstanding for calculation of Basic EPS	**274,430,138**	274,543,934
Basic EPS (₹) (i)/(iv)	**88.72**	80.94
B. Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	**274,430,138**	274,543,934
(ii) Add: Potential Equity Shares on exercise of options (Nos.)	**79,361**	69,787
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i + ii)	**274,509,499**	274,613,721
Diluted EPS (₹) {(A) (i)/(B) (iii)}	**88.69**	80.92

NOTE 48: SUMMARISED FINANCIAL INFORMATION OF INDIVIDUALLY IMMATERIAL ASSOCIATES AND JOINT VENTURE

The Company's interests in below mentioned associates and joint venture are accounted for using the equity method in the consolidated financial statements. The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Company for equity accounting purposes:

Madanpur (North) Coal Company Private Limited:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit or Loss from continuing Operations	**0.01**	(0.10)
Post-tax Profit or Loss from discontinued Operations	**-**	-
Other Comprehensive Income	**-**	-
Total Comprehensive Income	**0.01**	(0.10)

Aditya Birla Renewable SPV 1 Limited:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit or Loss from continuing Operations	**0.54**	(0.04)
Post-tax Profit or Loss from discontinued Operations	**-**	-
Other Comprehensive Income	**(0.02)**	-
Total Comprehensive Income	**0.52**	(0.04)

₹ in Crores

NOTE 48: SUMMARISED FINANCIAL INFORMATION OF INDIVIDUALLY IMMATERIAL ASSOCIATES AND JOINT VENTURE (Continued)

Bhaskarpara Coal Company Limited:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit or Loss from continuing Operations	0.01	0.01
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	0.01	0.01

NOTE 49: AUDITORS' REMUNERATION INCLUDING REMUNERATION FOR SUBSIDIARIES' AUDITORS (EXCLUDING SERVICE TAX/GST) AND EXPENSES

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(a) Statutory Auditors:		
Audit fees (including Quarterly Limited Reviews)	4.49	3.60
Tax audit fees	0.26	0.25
Fees for other services	0.28	0.12
Expenses reimbursed	0.12	0.12
(b) Cost Auditors:		
Audit fees	0.26	0.19
Fees for other services (March 31, 2019 ₹ 3,000/-)	0.00	-
Expenses reimbursed	0.04	0.01

NOTE 50:

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

Particulars	Year Ended March 31, 2019			Year Ended March 31, 2018		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	110.84	52.05	162.89	113.06	56.81	169.87
Royalty and Cess	1,036.47	-	1,036.47	748.52	-	748.52

NOTE 51: SHARE BASED PAYMENTS (Ind AS 102)

The Group has granted 207,030 options (including Restricted Stock units and Share Appreciation Rights) to its eligible employees in various ESOS Schemes, details are as under:

A. Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year	As per the Terms of Scheme	As per the Terms of Scheme	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Exercise Price (₹ per share)	606	794	655	709	1,061	974
Fair Value on the date of Grant of Option (₹ per share)	502	404	547	447	281	762
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

* Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Group.

B. Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

NOTE 51: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

C. Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme – 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche I (SAR, 2018)	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	1,084	3,924
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting

NOTE 51: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

Particulars	Tranche I (ESOS, 2018)		Tranche I (SAR, 2018)	
	RSU	Stock Options	RSU	Stock Options
Grant Date	18.12.2018	18.12.2018	18.12.2018	18.12.2018
Exercise Price (₹ per share)	10	4,009.30	10	4,009.30
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	3,946	1,539
Method of Settlement	Equity	Equity	Cash	Cash

D. Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	**144,499**	**2,171.13**	251,577	1,880.59
Granted during the year	**202,022**	**3,143.84**	-	-
Exercised during the year	**(28,735)**	**1,585.05**	(106,079)	1,482.43
Forfeited during the year	**(812)**	**568.53**	(999)	2,134.23
Outstanding at the end of the year	**316,974**	**2,848.32**	144,499	2,171.13
Options exercisable at the end of the year	**73,273**	**2,394.44**	74,262	2,090.76

The weighted average share price at the date of exercise for options was ₹ 3,844.48 per share (March 31, 2018 ₹ 4,123.18 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2019 was 4.6 years (March 31,2018: 3.9 years).

The Company has granted 5,008 SAR to its employees during the year with a weighted average exercise price of ₹ 3,143.64 per share and weighted average fair value of ₹ 2,060 per share. The weighted average remaining contractual life for SAR is 5.3 years.

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 655 per share to ₹ 4,099 per share for options.

E. Fair Valuation:

202,022 options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 2,009.83 per share (March 31, 2018 - ₹ Nil per share).

The fair value of options has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2006:

1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
2. Option Life - Vesting period (1 Year) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.49, Tranche-II: 0.52,Tranche-III: 0.30, Tranche-IV: 0.30, Tranche-V: 0.30, Tranche-VI: 0.25
4. Expected Growth in Dividend - 20%

NOTE 51: SHARE BASED PAYMENTS (Ind AS 102) (Continued)

(b) For ESOS 2013:

1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
2. Option Life - (a) For Options – Vesting period (1 Year) + Average of exercise period
   (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60 Tranche–V: 0.60, Tranche–VI: 0.61
4. Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%, Tranche-VI: 5%

(c) For ESOS 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
   (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.24
4. Dividend Yield- - Tranche -I: 0.46%

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

The fair value of SAR has been done by an independent firm of Chartered Accountants on the date of grant using the Binomial Tree model.

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

(d) For ESOS – SAR - 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
   (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.25
4. Dividend Yield - Tranche -I: 0.46%

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

F. Details of Liabilities arising from Company's cash settled share based payment transactions:

₹ in Crores

Particulars	March 31, 2019	March 31, 2018
Other non-current liabilities	0.09	-
Other current liabilities	0.04	-
Total carrying amount of liabilities	**0.13**	-

₹ in Crores

NOTE 52 (A): CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES (Ind AS – 107)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at amortised cost				
Trade Receivables	**2,531.43**	**2,531.43**	2,220.63	2,220.63
Loans	**1,307.03**	**1,307.03**	238.02	238.02
Cash and Bank Balances	**707.17**	**707.17**	219.07	219.07
Other Financial Assets	**852.57**	**852.57**	479.31	479.31
Financial Assets at fair value through profit or loss				
Investments	**2,902.65**	**2,902.65**	5,436.09	5,436.09
Fair Value Hedging Instruments				
Derivative Assets	**99.05**	**99.05**	121.52	121.52
Total	**8,399.90**	**8,399.90**	8,714.64	8,714.64
Financial liabilities at amortised cost				
Non-Convertible Debentures	**2,535.00**	**2,462.79**	2,575.00	2,509.35
Term Loan from Banks	**14,188.63**	**14,188.63**	10,489.00	10,489.00
Cash Credits/Working Capital Borrowing	**81.76**	**81.76**	770.47	770.47
Commercial Papers	**1,642.46**	**1,642.46**	992.87	992.87
Sales Tax Deferment Loan	**438.77**	**438.77**	289.68	289.68
Trade Payables	**2,845.55**	**2,845.55**	2,384.87	2,384.87
Preference Shares	**1,000.10**	**1,000.10**	1,000.10	1,000.10
Other Financial Liabilities	**1,981.66**	**1,981.66**	1,824.74	1,824.74
Foreign Currency Borrowings	**2,931.63**	**2,931.63**	3,363.10	3,363.10
Fair Value Hedging Instrument				
Derivative Liability	**0.15**	**0.15**	28.27	28.27
Total	**27,645.71**	**27,573.50**	23,718.10	23,652.45

NOTE 52 (B): FAIR VALUE MEASUREMENTS (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹ in Crores

NOTE 52 (B): FAIR VALUE MEASUREMENTS (Ind AS 113) (Continued)

Particulars	Fair Value	
	As at March 31, 2019	As at March 31, 2018
Financial Assets at fair value through profit or loss		
Investments – Level 2	**2,877.74**	5,412.50
Investments – Level 3	**24.91**	23.59
Fair value Hedge Instruments		
Derivative assets – Level 2	**99.05**	121.52
Total	**3,001.70**	5,557.61
Fair value Hedge Instruments		
Derivative liability – Level 2	**0.15**	28.27
Total	**0.15**	28.27

The management assessed that cash and bank balances, trade receivables, loans, trade payables, cash credits, commercial papers and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

(a) The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(d) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

(e) The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.

(f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2019 and March 31, 2018 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value.
Investments in Unquoted instruments accounted for as fair value through Profit and Loss	DCF method	Average Cost of Borrowings to arrive at discount rate.	**March 31, 2019:** 8.50% **March 31, 2018:** 8.50%	0.5% (March 31 2018: 0.5%) increase/(decrease) would result in increase/(decrease) in fair value by ₹ (1.14) Crores (March 31, 2018: ₹ (0.35) Crores)

₹ in Crores

NOTE 52 (B): FAIR VALUE MEASUREMENTS (Ind AS 113) (Continued)

Reconciliation of Level 3 Fair Value Measurements:

Balance as at March 31, 2017	**15.31**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.20
Add: Investment at Fair value on Loss of Control in Subsidiary	7.11
Add: Purchase of Investment during the year	0.02
Less: Sale of Investment during the year	(0.05)
Balance as at March 31, 2018	**23.59**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	**1.10**
Add: Purchase of Investment during the year	**20.24**
Less: Sale of Investment during the year	**(20.02)**
Balance as at March 31, 2019	**24.91**

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107)

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to market risk, liquidity risk and credit risk. Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps, cross currency swaps that are entered to hedge foreign currency risk exposure, interest rate swaps, coupon only swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The several sources of risks which the group is exposed to and their management are given below:

Risk	Exposure Arising From	Measurement	Management
(I) Market Risk			
A. Foreign Currency Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	(a) Forward foreign exchange contracts (b) Foreign currency options (c) Principal only/Currency swaps
B. Interest Rate Risk	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	(a) Interest Rate swaps, Coupon Only swaps (b) Portfolio Diversification

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Risk	Exposure Arising From	Measurement	Management
C. Commodity Price Risk	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity price tracking	(a) Commodity Fixed Prices (b) Swaps/Options
(II) Credit Risk	Trade receivables, Investments, Derivative financial instruments, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Diversification of mutual fund investments, (b) Credit limit & credit worthiness monitoring, (c) Criteria based approval process
(III) Liquidity Risks	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies & principles are reviewed by internal auditors on periodical basis.

The Corporate treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Group on periodical basis about the various risks to the business and status of various activities planned to mitigate the risks.

(I) Market Risk:

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

A. Foreign Currency Risk:

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

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

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

₹ in Crores

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Outstanding foreign currency exposure (Gross) as at	March 31, 2019	March 31, 2018
Trade and advances receivables		
USD	**19.60**	0.83
Euro	**0.08**	0.10
Others	**-**	0.01
Trade Payables		
USD	**3.26**	1.30
Euro	**0.26**	0.75
Others	**0.03**	0.02
Borrowings		
USD	**15.25**	21.14
Investments		
USD	**6.92**	6.92

Foreign currency sensitivity on unhedged exposure:

100 bps increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Particulars	As at March 31, 2019	As at March 31, 2018
USD	**(4.79)**	(4.51)
Others	**-**	(0.01)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

B. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowing (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

₹ in Crores

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Interest rate exposure

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings
INR	**19,805.14**	**14,188.81**	**5,177.56**	**438.77**
USD	**2,974.10**	**42.47**	**2,931.63**	**-**
AED	**12.29**	**12.29**	**-**	**-**
BDT	**26.29**	**26.29**	**-**	**-**
BHD	**0.53**	**0.53**	**-**	**-**
Total as at March 31, 2019	**22,818.35**	**14,270.39**	**8,109.19**	**438.77**
INR	16,041.51	10,563.86	5,187.97	289.68
USD	3,392.46	29.36	3,363.10	-
AED	16.98	16.98	-	-
BDT	27.21	27.21	-	-
BHD	2.06	2.06	-	-
Total as at March 31, 2018	19,480.22	10,639.47	8,551.07	289.68

Note: Interest rate risk hedged for FCY borrowings has been shown under Fixed Rate borrowings.

Interest rate sensitivities for unhedged exposure (impact on profit before tax due to increase in 100 bps):

Particulars	As at March 31, 2019	As at March 31, 2018
INR	**(141.89)**	(105.64)
USD	**(0.42)**	(0.29)
AED	**(0.12)**	(0.17)
BDT	**(0.26)**	(0.27)
BHD	**(0.01)**	(0.02)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Foreign Currency and Interest Rate Risk Management:

Forward Exchange and Interest Rates Swaps Contracts:

A. Derivatives for hedging currency and interest rates, outstanding are as under:

₹ in Crores

Particulars	Hedged Item	Currency	As at March 31, 2019	As at March 31, 2018	Cross Currency
(a) Forward Contracts	Loan Receivable	USD	**18.50**	-	Rupees
	Imports	USD	**11.06**	6.47	Rupees
	Imports	Euro	**0.12**	0.15	Rupees
	Imports	Euro	**1.24**	1.11	USD
	Exports	USD	**0.71**	-	Rupees
(b) Other Derivatives:					
(i) Currency & Interest Rate Swap (CIRS)	ECB*	USD	**7.32**	9.82	Rupees
(ii) Principal only Swap	ECB*	USD	**7.32**	11.32	Rupees
	Imports	Euro	**-**	0.05	USD
(iii) Interest Rate Swap	ECB*	USD	**7.32**	11.32	USD
	ECB*	USD	**27.75**	30.50	AED

*External Commercial Borrowings

B. Cash Flow Hedges: The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio

The Company designates the derivatives to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the critical terms of the forward exchange contracts to match with the hedged item.

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for External Commercial Borrowings (USD)	**March 31, 2019**	**65.19**	**7.32**	**17.25**
Buy Currency for External Commercial Borrowings (USD)	March 31, 2018	65.19	7.32	(10.90)

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

Particulars	As at	Average Exchange Rate (USD/Euro)	Nominal Foreign Currency Euro Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for Imports (Euro)	**March 31, 2019**	**-**	**-**	**-**
Buy Currency for Imports (Euro)	March 31, 2018	1.25	0.05	3.66

Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
1 to 2 years	**March 31, 2019**	**0.90%**	**18.75**	**30.32**
2 to 5 years	**March 31, 2019**	**3.92%**	**16.32**	**19.39**
2 to 5 years	March 31, 2018	2.21%	37.82	74.48

Cross Currency and Interest rate Swaps:

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	**March 31, 2019**	**7.79%**	**67.49**	**7.32**	**2.76**
2 to 5 years	March 31, 2018	7.79%	67.49	7.32	(23.57)

* Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps.

The above Hedging Instruments are included in the Balance Sheet under the head "Other Financial Assets"/"Other Financial Liabilities".

Refer Statement of changes in equity for movement on OCI.

Recognition of gains/(losses) under forward exchange and interest rates swaps contracts designated under cash flows hedges:

₹ in Crores

Particulars	As at March 31, 2019		As at March 31, 2018	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	**(50.38)**	-	10.05	-

C. **Commodity price risk management:**

Commodity price risk for the Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Company. Since the Energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into forward covers for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply etc. While forward covers are prevailing in the markets for coal but in case of pet coke no such derivative is available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the central procurement team.

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

(II) Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty.

Trade receivables

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

Total Trade receivables as on March 31, 2019 is ₹ 2,531.43 Crores (March 31, 2018 ₹ 2,220.63 Crores)

The Group does not have higher concentration of credit risks to a single customer. Single largest customer has total exposure in sales 2.3% (March 31, 2018 1.8%) and in receivables 8.2% (March 31, 2018 6.7%).

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months - one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

Movement of provision for doubtful debts:

₹ in Crores

Particulars	March 31, 2019	March 31, 2018
Opening provision	**48.99**	42.25
Add: Provided during the year	**10.33**	7.04
Less: Utilised during the year	**(0.07)**	(0.03)
Add/(Less): Effect of Foreign Currency Conversion	**0.45**	(0.27)
Closing Provision	**59.69**	48.99

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as Group enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of mutual funds, Quoted Bonds, Non-Convertible Debentures issued by Government/Semi Government Agencies/PSU Bonds/High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on March 31, 2019 is ₹ 2,877.74 Crores (March 31, 2018 ₹ 5,412.50 Crores)

Financial Guarantees:

The company has given corporate guarantees of ₹ 4 crores. (Refer Note 37(c)).

NOTE 53: FINANCIAL RISK MANAGEMENT OBJECTIVES (Ind AS 107) (Continued)

(III) Liquidity risk management:

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

₹ in Crores

As at March 31, 2019	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	**3,267.19**	**6,432.72**	**13,118.44**	**22,818.35**
Trade Payables	**2,845.55**	**-**	**-**	**2,845.55**
Interest accrued but not due on borrowings	**212.31**	**-**	**-**	**212.31**
Other Financial Liabilities (excluding Derivative Liability)	**1,769.35**	**-**	**-**	**1,769.35**
Derivative Liability	**0.15**	**-**	**-**	**0.15**
Investments	**1,516.49**	**1,004.59**	**356.66**	**2,877.74**

As at March 31, 2018	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	3,620.77	4,298.76	11,564.71	19,480.22
Trade Payables	2,384.87	-	-	2,384.87
Interest accrued but not due on borrowings	166.93	-	-	166.93
Other Financial Liabilities (excluding Derivative Liability)	1,657.81	-	-	1,657.81
Derivative Liability	-	28.27	-	28.27
Investments	3,949.12	1,106.72	356.66	5,412.50

NOTE 54: DISTRIBUTION MADE AND PROPOSED (Ind AS 1)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2019: ₹ 11.50 per share		
(March 31, 2018: ₹ 10.50 per share)	**315.84**	288.34
DDT on proposed dividend	**64.92**	59.27
Proposed dividends on Preference shares:		
Final dividend for the year ended on March 31, 2019	**0.01**	0.01
DDT on proposed dividend (FY 2017-18: ₹ 17,098)	**-**	-
Total Dividend proposed	**380.77**	347.62

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

Notes to Consolidated Financial Statements (Continued)

NOTE 55: CAPITAL MANAGEMENT (Ind AS 1)

The capital management of the Company is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Group's capital management, capital includes issued equity share capital, share premium and all other equity.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

₹ in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Total Debt (Bank and other Borrowings)	**22,818.35**	19,480.22
Equity	**28,388.95**	26,381.16
Liquid Investments and bank deposits	**3,135.71**	5,545.58
Debt to Equity (Net)	**0.69**	0.53

In addition, the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Group.

NOTE 56: RESEARCH AND DEVELOPMENT

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 17.31 Crores. (March 31, 2018 ₹ 14.04 Crores).

NOTE 57: CORPORATE SOCIAL RESPONSIBILITY

Expenditure incurred in cash on Corporate Social Responsibility activities, included in different heads of expenses in the Consolidated Statement of Profit and Loss is ₹ 74.96 Crores (March 31, 2018 ₹ 60.71 Crores) and on account of capital expenditure ₹ 2.16 Crores (March 31, 2018 ₹ 0.96 Crores).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2019 is ₹ 61.17 Crores (March 31, 2018 ₹ 58.91 Crores) i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

NOTE 58: GOVERNMENT GRANT (Ind AS 20)

(a) Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 398.43 Crores (March 31, 2018 ₹ 300.72 Crores).

(b) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognised as an income. Accordingly, an amount of ₹ 45.49 Crores (March 31, 2018: ₹ 3.86 Crores) has been recognised as an income. Every year change in fair value is accounted for as an interest expense.

(c) Interest, Wages Expenses and Repairs to plant and machinery are net of subsidy received, under State Investment Promotion Scheme of ₹ Nil Crores (March 31, 2018 ₹ 5.81 Crores), and ₹ 1.46 Crores (March 31, 2018 ₹ 0.98 Crores) respectively.

Note 59: Assets / Disposal group held for sale (Ind AS 105)

(a) The Group has identified certain assets like Aggregate Mines, Pre Grinders, Vibrating Mill, Naptha based power plant, Waste Heat Recovery System (WHRS) etc., which are available for sale in its present condition. The Group is committed to plan the sale of these assets and an active programme to locate a buyer and complete the plan have been initiated. The Group expects to dispose of these assets within twelve months from its classification. These assets have been stated at fair value less cost to sell (being lower of the carrying amount) amounting to ₹ 56.30 Crores (March 31, 2018: ₹ 43.40 Crores). Refer Note 2 for impairment relating to these assets.

(b) Consequent to the acquisition of UNCL (refer note 41), the Group has identified disposal groups (foreign subsidiaries of UNCL) that meet the criteria to be classified as held for sale on acquisition, as these are not considered core to the groups ongoing business activities and management is committed to sell these disposal groups, active efforts have been initiated to locate a buyer. The Group expects to sell the disposal group within twelve months from its classification. The disposal group comprises assets held for sale amounting to ₹ 1,037.20 Crores (March 31, 2018: Nil) and liabilities amounting to ₹ 489.00 Crores (March 31, 2018: Nil), which have been stated at fair value less cost to sell (being lower of their carrying amount). The disposal group have also been considered as discontinued operations.

The non-recurring fair value measurement for the disposal group has been categorised as a level 2 fair value based on the inputs to the valuation technique used. Refer note 1(B) (b) (vii) in respect of the valuation basis used in measuring the fair value of the disposal group.

NOTE 60: OPERATING LEASE (Ind AS 17)

(a) Future minimum rental payables under non-cancellable operating lease

₹ in Crores

Sr. No.	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(i)	Not later than one year	**21.92**	15.73
(ii)	Later than one year and not later than five years	**64.60**	57.81
(iii)	More than five years	**93.09**	99.55

(b) Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 162.55 Crores (March 31, 2018 ₹ 158.74 Crores)

(c) General Description of leasing agreements:

- Leased Assets: Land, Godowns, Offices, Flats, Machinery and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

NOTE 61: REVENUE (Ind AS 115)

A. The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established The Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

In compliance with Ind AS 115, certain sales promotion schemes are now treated as variable components of consideration and have been recognised as revenue deductions instead of other expenses. Consequently, all comparative period numbers have been restated, adhering to the full retrospective approach under Ind AS 115.

The Revenue and Other expenses for the year ended March 31, 2018 have both been reduced by ₹ 432.18 Crores due to the aforesaid regrouping and there is no impact on the Profits, financial position and Cashflow of the Company.

₹ in Crores

NOTE 61: REVENUE (Ind AS 115) (Continued)

B. Reconciliation of revenue recognised from Contract liability:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Closing Contract liability-Advances from Customers	**284.23**	304.95

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2019.

C. Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue as per Contract price	**39,920.99**	34,072.89
Less: Discounts and incentives	**(3,146.30)**	(2,637.88)
Revenue as per statement of profit and loss	**36,774.69**	31,435.01

NOTE 62: INFORMATION AS PER THE REQUIREMENT OF SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	**20.82**	9.73
	(ii) The interest due on above	**-**	0.01
	The total of (i) & (ii)	**20.82**	9.74
(b)	The amount of interest paid by the buyer in terms of section 16 of the Act	**-**	-
(c)	The amount of the payment made to the supplier beyond the appointed day during the accounting year	**-**	-
(d)	The amounts of interest accrued and remaining unpaid at the end of financial year	**-**	0.01
(e)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	**-**	-
(f)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

NOTE 63: ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF PART III - GENERAL INSTRUCTION FOR PREPARATION OF CFS OF SCHEDULE III of the Companies Act, 2013.

Sr. No.	Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit/loss	Amount (₹ Crores)	As % of consolidated OCI	Amount (₹ Crores)	As % of consolidated TCI	Amount (₹ Crores)
1.	**Parent**	93.69%	26,607.05	100.14%	2,435.00	-61.51%	7.40	100.94%	2,442.40
2.	**Subsidiaries**								
	Indian								
(i)	Dakshin Cements Limited	0.00%	(0.00)	0.00%	-	-	-	0.00%	-
(ii)	Harish Cement Limited	0.54%	153.96	0.00%	-	-	-	-	-
(iii)	Bhagwati Limestone Company Private Limited	0.01%	2.03	0.00%	0.01	-	-	0.00%	0.01
(iv)	Gotan Lime Stone Khanij Udyog Private Limited	0.07%	20.57	-0.02%	(0.43)	-	-	-0.02%	(0.43)
(v)	Ultratech Nathdwara Cement Limited	2.19%	622.19	-2.44%	(59.36)	2.24%	(0.27)	-2.46%	(59.63)
	Foreign								
(i)	UltraTech Cement Lanka (Private) Limited	0.40%	113.46	-0.61%	(14.81)	-0.17%	0.02	-0.61%	(14.79)
(ii)	UltraTech Cement Middle East Investments Limited	2.99%	849.64	3.03%	73.62	153.28%	(18.44)	2.28%	55.18
(iii)	PT UltraTech Mining Indonesia	0.00%	0.46	0.00%	-	-	-	0.00%	-
(iv)	PT UltraTech Investment Indonesia	0.00%	0.13	0.01%	0.15	-	-	0.01%	0.15
3.	**Non-Controlling Interests in Subsidiaries**								
	Foreign								
(i)	UltraTech Cement Lanka (Private) Limited	0.04%	12.10	-0.13%	(3.13)	6.15%	(0.74)	-0.16%	(3.87)
(ii)	PT UltraTech Mining Indonesia	0.00%	0.12	0.00%	-	-	-	0.00%	-
(iii)	PT UltraTech Investment Indonesia	0.00%	(0.07)	0.00%	-	-	-	0.00%	-
4.	**Joint Venture-Indian**								
	Bhaskarpara Coal Company Limited	0.02%	6.50	0.00%	0.01	-	-	0.00%	0.01
5.	**Associate-Indian**								
(i)	Madanpur (North) Coal Company Limited	0.00%	0.94	0.00%	0.01	-	-	0.00%	0.01
(ii)	Aditya Birla Renewable SPV 1 Limited	0.04%	11.37	0.02%	0.52	-	-	0.02%	0.52
	Total	**100%**	**28,400.45**	**100%**	**2,431.59**	**100%**	**(12.03)**	**100%**	**2,419.56**

Notes to Consolidated Financial Statements (Continued)

NOTE 64:

Ind AS 116 – on March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 "Leases", which replaces Ind AS 17 "Leases". The new standard introduces a single on-balance sheet lease accounting model for lessee. This will result in the company recognising right of use assets & lease liability in the books.

The Company is in the process of analyzing the impact of Ind AS 116 on its financials.

The amendment will come into force from April 01, 2019.

Others

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning or or after April 01, 2019.

1. **Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments**
   The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.
2. **Amendment to Ind AS 12 – Income taxes**
   The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events
3. **Ind AS 19 - Plan amendment, curtailment or settlement**
   The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

   Based on preliminary assessment, the Company does not expect any significant impact on its financial statements on account of above amendments.

NOTE 65:

Effective July 01, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses.

NOTE 66:

Other income for year ended March 31, 2018 includes reversal of earlier years provision of ₹ 103.79 Crores related to contribution towards District Mineral Fund (DMF) under the Mines and Mineral (Development and Regulation) Amendment Act, 2015, on the basis of Supreme Court Judgment dated October 13, 2017.

NOTE 67:

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

Signatures to Note '1' to '67'

In terms of our report attached.

For and on behalf of the Board of Directors

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

VIJAY MATHUR
Partner
Membership No.: 46476

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No.: 105146W

KETAN VIKAMSEY
Partner
Membership No.: 44000

K.K. MAHESHWARI
Managing Director
DIN: 00017572

S.B. MATHUR
Director
DIN: 00013239

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

S.K. CHATTERJEE
Company Secretary

Mumbai: April 24, 2019