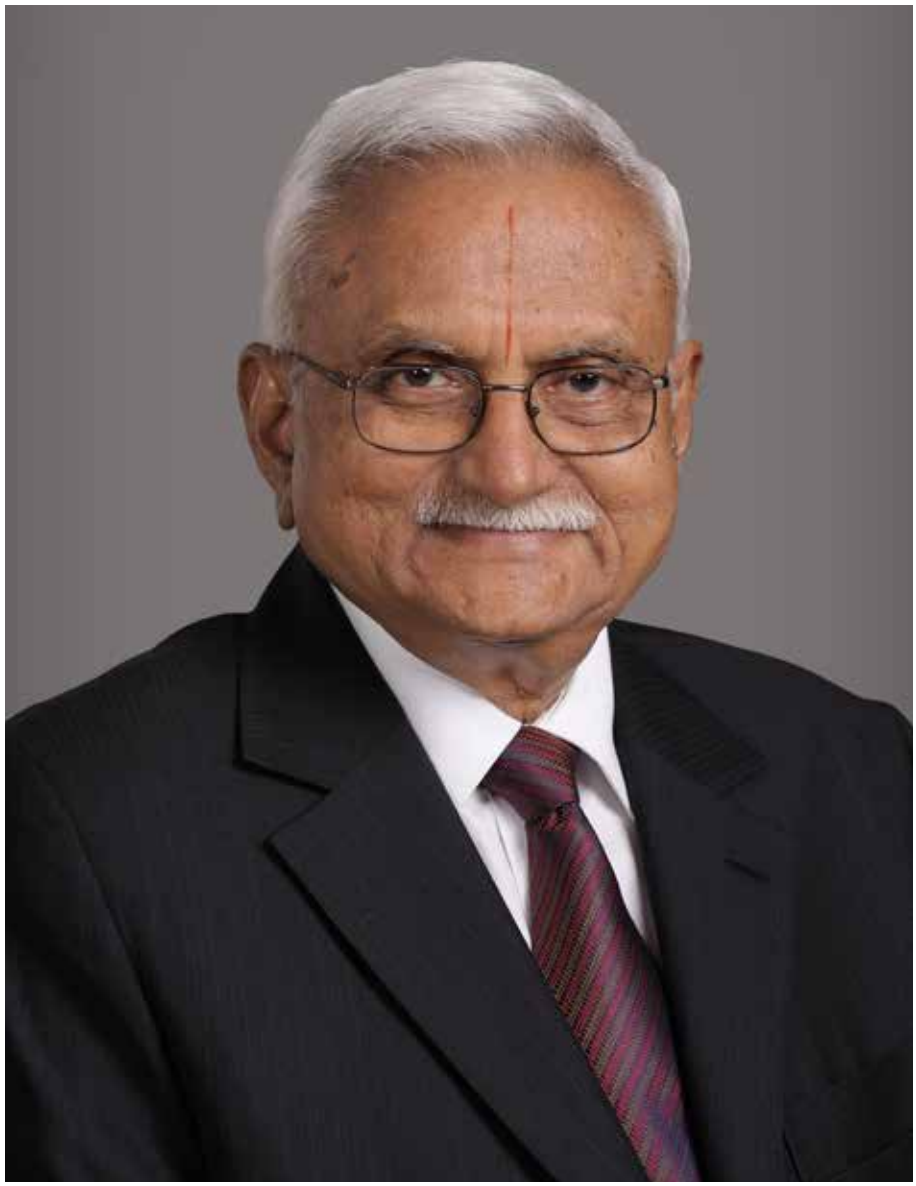
The Ramco Cements Limited

Annual Report

2017-2018



SHRI. P.R. RAMASUBRAHMANEYA RAJHA

Sridharmarakshakar, Ramco Group

Keep on performing your duties without
Expecting any reward in return and lead a selfless life.

- Bhagavad Gita

THE RAMCO CEMENTS LIMITED

Board of Directors

Shri.P.R.VENKETRAMA RAJA, B.Tech.,
Chairman & Managing Director

Shri.R.S.AGARWAL, B.Sc., B.E.,

Shri.M.B.N.RAO, B.Sc. (Agri).

Shri.M.M.VENKATACHALAM, B.Sc. (Agri).

Smt. JUSTICE CHITRA VENKATARAMAN (Retd.)

Shri.M.F.FAROOQUI, IAS (Retd.)

Bankers

Canara Bank

Citi Bank

Deutsche Bank

HDFC Bank Ltd

ICICI Bank Ltd

IDBI Bank Ltd

IDFC Bank Ltd

Kotak Mahindra Bank Ltd

Standard Chartered Bank

The Federal Bank Ltd

The Hongkong and Shanghai Banking Corporation Ltd

Yes Bank Ltd

Chief Executive Officer

Shri.A.V.Dharmakrishnan

Chief Financial Officer

Shri.S.Vaithiyanathan

Secretary

Shri.K.Selvanayagam

Corporate Office

98-A, Dr.Radhakrishnan Road, Mylapore
Chennai – 600 004, Tamil Nadu

Registered Office

"Ramamandiram"
Rajapalayam – 626 117, Tamil Nadu

Website

www.ramcocements.in

Corporate Identity Number

L26941TN1957PLC003566

Auditors

M/s.Ramakrishna Raja And Co
Chartered Accountants
1-D, GD Apartments, 6, Shanthinikethan
V.P.Rathinasamy Nadar Road
Bibikulam, Madurai – 625 002.

M/s.SRSV & Associates
Chartered Accountants
F2, 1st Floor, B Block, Sivams Padmalaya
28/25, Neelakanta Metha Street
T. Nagar, Chennai 600 017.

Cost Auditors

M/s.Geeyes & Co
A-3, III Floor, 56, Seventh Avenue
Ashok Nagar, Chennai – 600 083.

Secretarial Auditors

M/s.S.Krishnamurthy & Co
Company Secretaries
Old No:17, New No:16, Pattammal Street
Mandaveli, Chennai – 600 028.

CONTENTS

Ten Year Highlights 3

Notice to Members 4

Board's Report 17

Separate Financial Statements

Independent Auditors' Report 52

Balance Sheet 57

Statement of Profit & Loss 58

Statement of Cash Flow 59

Statement of Changes in Equity 61

Disclosures forming part of Separate Financial Statements 93

Consolidated Financial Statements

Independent Auditors' Report 114

Balance Sheet 118

Statement of Profit & Loss 119

Statement of Cash Flow 120

Statement of Changes in Equity 122

Disclosures forming part of Consolidated Financial Statements 154

Business Responsibility Report 175

TEN YEAR HIGHLIGHTS

Description	AS (Previous GAAP)							Ind AS		
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Cement										
Capacity										
Integrated Cement Plants (lac tons)	99.90	104.90	104.90	104.90	124.90	124.90	124.90	124.90	124.90	**124.90**
Satellite Grinding Units (lac tons)	–	19.50	19.50	19.50	30.50	30.50	40.00	40.00	40.00	**42.00**
Production (lac tons)	65.30	80.30	73.05	75.22	84.75	85.90	76.96	72.33	83.11	**93.16**
Windfarm										
Capacity (MW)	181.59	185.59	159.19	159.19	159.19	125.95	125.95	125.95	125.95	**125.95**
Generation (lac units)	2611	4115	3572	2855	3247	2667	2106	1643	2747	**2624**
Net Revenue from Operations (₹ in Crores)	2471.23	2821.25	2644.69	3256.58	3872.66	3769.23	3731.77	3661.69	3993.05	**4443.00**
Operating Profit (₹ in Crores)	793.49	877.29	657.31	969.77	1047.30	648.76	800.12	1160.02	1238.16	**1136.07**
Cash Generation (₹ in Crores)	628.52	644.97	435.65	811.32	868.79	460.63	606.31	978.16	1134.64	**1076.86**
Profit Before Tax (₹ in Crores)	545.42	530.44	297.26	557.42	588.21	154.34	356.43	673.37	850.15	**784.66**
Profit After Tax (₹ in Crores)	363.52	353.68	210.98	385.11	403.65	137.70	242.35	542.19	649.29	**555.66**
Total Comprehensive Income (₹ in Crores)	–	–	–	–	–	–	–	540.15	648.05	**553.94**
Number of employees	2447	2583	2593	2626	2787	2937	2883	2846	2883	**3034**
Contribution to Exchequer (₹ in Crores)	711	809	839	1186	1423	1403	1418	1550	1779	**2056**
Face value per share (₹)	1	1	1	1	1	1	1	1	1	**1**
Earnings per share (₹)	15	15	9	16	17	6	10	23	27	**23**
Dividend per share (₹)	2.00	2.00	1.25	2.50	3.00	1.00	1.50	3.00	3.00	**3.00**
Dividend payout (₹ in Crores)	47.66	47.66	29.79	59.58	71.49	23.83	35.75	71.49	70.75	**70.74**
Dividend payout %	13	13	14	15	18	17	15	13	11	**13**
Operating profit ratio %	32.11	31.10	24.85	29.78	27.04	17.21	21.44	31.68	31.01	**25.57**
Market price of share (₹)										
(a) High	198	140	134	169	274	261	380	428	728	**831**
(b) Low	55	70	85	76	134	135	205	279	396	**648**
(c) As on 31st March	71	122	102	154	254	215	305	400	673	**724**
Market capitalisation (₹ in Crores)	1700	2897	2427	3659	6045	5117	7265	9520	16016	**17056**
Net worth per share (₹)	52	65	73	86	100	104	111	130	157	**172**

Bonus shares were issued in the ratio of 1:1 in 1992-93, 1994-95 and 2008-09.

NOTICE TO THE MEMBERS

Notice is hereby given that the 60th Annual General Meeting of the Company will be held at 10.15 AM on Friday, the 3rd August 2018 at P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu to transact the following business:

ORDINARY BUSINESS

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED THAT the Company's Separate and Consolidated Audited Financial Statements for the year ended 31st March 2018, and the Reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED THAT a Dividend of ₹ 3/- per Share be and is hereby declared for the year ended 31st March 2018 and the same be paid to those shareholders whose names appear in the Register of Members and Register of Depositories as on 27th July 2018."

3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED that Shri.P.R.Venketrama Raja (DIN: 00331406), who retires by rotation, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS

4. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

   "RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and pursuant to Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and such other applicable Regulations, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a Committee of the Board entrusted with relevant powers and responsibilities) for making offer(s) or invitation(s) to subscribe to Secured Non-Convertible Debentures including but not limited to subordinate debt, bonds, and/or other debt securities, etc., (hereinafter collectively referred as "Securities") on a private placement basis, listed or unlisted in one or more tranches, during the period of one year from the date of passing this Special Resolution by the Members, upto a limit of ₹ 1000 Crores, within the overall outstanding borrowing limits approved by the Members.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to determine the terms of the issue including the class of investors to whom such Securities to be issued, time, total amount to be raised by issuance of Securities, the number of Securities, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts, deeds, filings, matters and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard as the Board may in its sole and absolute discretion deems fit and delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company, as it may in its absolute discretion deem it necessary."

5. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

   "RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, Shri.R.S.Agarwal (DIN 00012594), Independent Director of the Company, whose term ends on 31-03-2019 be reappointed as Independent Director for another term of 5 years starting from 01-04-2019 to 31-03-2024."

6. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

   "RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, Shri.M.B.N.Rao (DIN 00287260), Independent Director of the Company, whose term ends on 31-03-2019 be reappointed as Independent Director for another term of 5 years starting from 01-04-2019 to 31-03-2024."

7. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

   "RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, Shri.M.M.Venkatachalam (DIN 00152619), Independent Director of the Company, whose term ends on 31-03-2019 be reappointed as Independent Director for another term of 5 years starting from 01-04-2019 to 31-03-2024."

8. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

   PLAN A

   "RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 [Act], and Companies (Share Capital and Debentures) Rules, 2014 [Rule], Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [LODR], Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SBEB") [collectively referred to as "applicable laws"] and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions

and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded to the Employees Stock Option Scheme 2018 – Plan A (hereinafter referred to as the "ESOS 2018 – PLAN A").

RESOLVED FURTHER THAT the Nomination and Remuneration Committee ("Committee"), constituted under Section 178 of the Act, be and is hereby authorised to grant from time to time such number of options, to the employees, as defined in Regulation 2(1)(f) of SBEB, not more than 5,00,000 (Five Lakhs) Options in aggregate, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of ₹ 1/- each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Committee in accordance with the provisions of the ESOS 2018 – PLAN A and in compliance with the applicable laws and subject to required approvals.

RESOLVED FURTHER THAT the Committee be and is hereby authorised to allot Equity Shares upon exercise of options by Employee from time to time in accordance with the ESOS 2018 – PLAN A and other applicable laws and such Equity shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Committee be and is hereby authorised inter-alia to:

a. Formulate the detailed terms and conditions of the Scheme which shall include the provisions as specified by SEBI in this regard and

b. Frame suitable policies and procedures to ensure compliance of the statutory provisions.

RESOLVED FURTHER THAT the Committee be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOS 2018 – PLAN A subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deem fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOS 2018 – PLAN A and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOS 2018 – PLAN A.

RESOLVED FURTHER THAT Committee be and is hereby authorized to delegate to any of the Directors or Key Managerial Personnel of the Company the power to take necessary steps for implementation of the scheme and for listing of the securities allotted under the ESOS 2018 – PLAN A on the Stock Exchanges, where the securities of the Company are listed."

PLAN B

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 [Act], and Companies (Share Capital and Debentures) Rules, 2014 [Rule], Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [LODR], Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SBEB") [collectively referred to as "applicable laws"] and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded to the Employees Stock Option Scheme 2018 – Plan B (hereinafter referred to as the "ESOS 2018 – PLAN B").

RESOLVED FURTHER THAT the Nomination and Remuneration Committee ("Committee"), constituted under Section 178 of the Act, be and is hereby authorised to grant from time to time such number of options, to the employees, as defined in Regulation 2(1)(f) of SBEB, not more than 7,00,000 (Seven Lakhs) Options in aggregate, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of ₹ 1/- each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Committee in accordance with the provisions of the ESOS 2018 – PLAN B and in compliance with the applicable laws and subject to required approvals.

RESOLVED FURTHER THAT the Committee be and is hereby authorised to allot Equity Shares upon exercise of options by Employee from time to time in accordance with the ESOS 2018 – PLAN B and other applicable laws and such Equity shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Committee be and is hereby authorised inter-alia to:

a. Formulate the detailed terms and conditions of the Scheme which shall include the provisions as specified by SEBI in this regard and

b. Frame suitable policies and procedures to ensure compliance of the statutory provisions.

RESOLVED FURTHER THAT the Committee be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOS 2018 – PLAN B subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deem fit for such purpose and also to settle any issues, questions, difficulties or doubts that may

arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOS 2018 – PLAN B and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOS 2018 – PLAN B.

RESOLVED FURTHER THAT Committee be and is hereby authorized to delegate to any of the Directors or Key Managerial Personnel of the Company the power to take necessary steps for implementation of the scheme and for listing of the securities allotted under the ESOS 2018 – PLAN B on the Stock Exchanges, where the securities of the Company are listed."

9. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Shri.M.F.Farooqui, IAS (Retd.) (DIN 01910054), appointed as an Additional Director of the Company in the category of Independent Director on 30-08-2017 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and being eligible, offer himself for appointment, be and is hereby appointed as a Director of the Company, under Independent Director category for a period of 5 consecutive years from the date of his appointment, viz. 30-08-2017."

10. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 4,50,000/- (Rupees Four lakhs fifty thousand only) exclusive of GST and Out-of-pocket expenses, payable to M/s.Geeyes & Co., Cost Accountants appointed as the Cost Auditors of the Company by the Board of Directors, for the financial year 2018-19 for auditing the Cost Records relating to manufacture of cement and generation of wind energy, be and is hereby ratified."

By Order of the Board,
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.

2. **A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that the Proxy need not be a Member.**

3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Attendance slip is attached. Members, Proxies and Authorised Representatives are requested to bring the duly filled-in and signed, attendance slips to the Meeting.

4. The cut-off date will be 27th July 2018, for determining the eligibility to vote by remote e-voting or in the General Meeting.

5. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed/unpaid dividends lying with the Company on the website of the Company (www.ramcocements.in), as also on the website of the Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are:

Year	Type of Dividend	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
2010-11	Dividend	10-08-2011	09-08-2018	07-09-2018
2011-12	Interim Dividend	21-03-2012	20-03-2019	18-04-2019
	Final Dividend	02-08-2012	01-08-2019	30-08-2019
2012-13	1st Interim Dividend	05-11-2012	04-11-2019	02-12-2019
	2nd Interim Dividend	13-02-2013	12-02-2020	12-03-2020
	Final Dividend	29-07-2013	28-07-2020	26-08-2020
2013-14	Dividend	28-07-2014	27-07-2021	25-08-2021
2014-15	Dividend	06-08-2015	05-08-2022	01-09-2022
2015-16	Dividend	11-03-2016	10-03-2023	08-04-2023
2016-17	Dividend	04-08-2017	03-08-2024	01-09-2024

6. In accordance with Section 125(5) of the Companies Act, 2013, the Company has transferred the unclaimed/unpaid dividends lying with the Company for a period of over 7 years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

7. In accordance with Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the shares in respect of which, dividend has not been paid or claimed for 7 consecutive years or more have been transferred by the Company to IEPF. The shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No: IEPF-5 to the IEPF Authority. The procedure and the form are available at www.ramcocements.in and www.iepf.gov.in

8. Electronic copy of the Notice for the Annual General Meeting together with the Annual Report for 2017-18 is being sent to all the members whose E-mail IDs are registered with the Company/Depository Participant(s). Physical copy of the Notice together with the Annual Report is being sent in permitted mode, to members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website - www.ramcocements.in for their download.

9. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their E-Mail IDs recorded are requested to register their E-mail address and changes therein with the Company in respect of physical shares and with Depository Participants in respect of dematerialised shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Company/Depository Participants.

10. Voting through electronic means

    I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [LODR] the Company is providing members remote e-voting facility to exercise their right to vote at the 60th Annual General Meeting (AGM) and the business may be transacted through such voting, through e-voting services provided by Central Depository Services (India) Limited (CDSL).

    II. The facility for voting, either through electronic voting system or ballot shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

    III. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The instructions for e-voting are as under:

    i) To log on to the e-voting website www.evotingindia.com

    ii) To Click on "Shareholders" tab.

    iii) Now enter your User ID as given below:

    * For CDSL: 16 Digits beneficiary ID,
    * For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    * Members holding shares in Physical Form should enter Folio Number registered with the Company.

    iv) Next enter the Captcha Code as displayed and Click on Login.

    v) PASSWORD

    * If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
    * If you are first time user follow the steps given below:

    a. Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as physical Shareholders).

    Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio No./Client ID in the PAN field.

    In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. after the first two characters of the name in CAPITAL letters. Eg. If your name is Vasudevan with Folio No. 1 then enter VA00000001 in the PAN Field.

    b. Please enter any one of the following details in order to login:

    Date of Birth: Enter the Date of Birth as recorded in your demat account or in the Company records in dd/mm/yyyy format.

    Dividend Bank Details: Please enter Dividend Bank Details as recorded in your demat account or in the Company records.

    If both of the above details are not recorded with the depository or Company, please enter the User ID/Folio Number (mentioned in (iii) above) in the Dividend Bank details field.

    vi) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login

password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is recommended not to share your password with any other person and take utmost care to keep your password confidential.

vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.

viii) Click on the relevant EVSN for THE RAMCO CEMENTS LIMITED on which you choose to vote.

ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.

xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xiii) You can also take a print of the voting done by you by clicking on "Click here to Print" option on the Voting page. It need not be sent to the Company.

xiv) If you have forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.

xv) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xvi) The facility for remote e-voting shall remain open from 9.00 AM on Tuesday, the 31st July 2018 to 5.00 PM on Thursday, the 2nd August 2018. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, viz. Friday, the 27th July 2018, may opt for remote e-voting. Remote e-voting shall not be allowed beyond 5.00 PM on 2nd August 2018.

xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

IV. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 27-07-2018.

V. Shri.K.Srinivasan, Chartered Accountant (Membership No. 021510), Partner, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

VI. The Chairman shall, at the annual general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutiniser, by use of ballot or by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.

VII. The scrutiniser shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

By Order of the Board,
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No: 4

As per the provisions of Section 42 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering securities or making invitation to subscribe securities on a private placement basis, is required to obtain the approval of the members by way of a Special Resolution.

The approval of the Members is being sought by way of a Special Resolution to enable the Company to borrow for financing capital expenditure and also for general corporate purposes by way of Secured, Redeemable, Non-Convertible Debentures ("SRNCDs"), sub-ordinated bonds and other debt securities on private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution [Pursuant to Second Proviso to Rule 14(2)(a) of Companies (Prospectus and Allotment of Securities) Rules, 2014] by the members, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the SRNCDs, sub-ordinated bonds and other debt securities.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.

Item No: 5

Shri.R.S.Agarwal (DIN 00012594) is a Non-Executive Independent Director of the Company.

At the Annual General Meeting held on 28-07-2014, Shri.R.S.Agarwal was appointed as Independent Director of the Company, for a period of 5 years from 01-04-2014 to 31-03-2019. In accordance with Section 149(10) of the Companies Act, 2013, he is eligible for reappointment upon passing of a Special Resolution at the General Meeting of the Company.

The name of Shri.R.S.Agarwal has been featured in the website of Ministry of Corporate Affairs for disqualification under Section 164(2) of the Companies Act, 2013 regarding Orion Alloy & Strips Limited. Shri.R.S.Agarwal had submitted that he had never provided his consent to act as a Director in Orion Alloy & Strips Limited and that the said company had forged his signature in the consent letter and created false documents. He had initially obtained a stay from Honourable High Court of Delhi against his disqualification from acting as Director. Subsequently, the court has set aside the disqualification vide its order dated 11-01-2018, subject to any further order that may be passed by the Registrar of Companies, Delhi, on consideration of his representation. Shri.R.S.Agarwal has confirmed that as on the date of this notice, the Registrar of Companies has not passed any order on his representation.

In accordance with Regulation 17(10) of LODR and Schedule IV of the Companies Act, 2013, the Board of Directors have evaluated the performance of Shri.R.S.Agarwal, as an Independent Director and found the same to be satisfactory and his contributions to the deliberations were beneficial in Board / Committee Meetings.

In accordance with Part D(A)(5) of Schedule II, read with Regulation 19(4) of LODR and on the basis of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee at its meeting held on 23-05-2018 had recommended to extend the term of office of Shri.R.S.Agarwal by reappointing him for another period of 5 years from 01-04-2019 to 31-03-2024.

In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors have also formed an opinion that Shri.R.S.Agarwal fulfils the conditions specified in the Companies Act, 2013 for such reappointment.

Shri.R.S.Agarwal is eligible for sitting fee for attending Board / Committee Meetings as applicable to the Directors from time to time. His reappointment and remuneration is in accordance with Nomination and Remuneration Policy of the Company.

His reappointment has been included as Special Resolution and the Board of Directors recommend his reappointment.

His Profile in brief is given below:-

Shri.R.S.Agarwal, B.Sc., B.E. (Chemical Engineering) started his career in 1965 and after serving in various capacities with a leading paper mill of Northern India for 9 years and with Industrial Development Bank of India (IDBI) for 28 years, retired as Executive Director of IDBI.

While in service with IDBI, he had dealt with many subjects and projects including –

* Member of "Satyam Committee" set up by Government of India in 1999-2000 for formulation of policy for textile industry and involvement in preparation of policy notes, detailed guidelines and implementation of "Technology Upgradation Fund (TUF)" introduced by the Ministry of Textiles, Government of India in April 1999.
* Preparation of policy paper and guidelines on development of "Special Economic Zone" in the country for the Ministry of Commerce, Government of India in January 2002.
* Head of the Infrastructure Finance Department and Project Appraisal Department of IDBI from February 1999 to March 2002, during which period about 30 large size power projects in the range of 250 MW to 500 MW were evaluated and sanctioned assistance by IDBI.

He has been on the Board of The Ramco Cements Limited since 2006.

He is also the Chairman of the Audit Committee and Nomination and Remuneration Committee of the Company.

He is also a Director in the following Companies:-

1. Ramco Industries Limited
2. Ramco Systems Limited
3. Surya Lakshmi Cotton Mills Ltd.
4. Suryalata Spinning Mills Ltd
5. GVK Jaipur Expressway Pvt. Ltd.

He is also a Member in the following Committees:-

No	Name of the Company	Name of the Committee	Position Held
1	Ramco Industries Limited	Audit Committee	Chairman
2	Ramco Industries Limited	Nomination & Remuneration Committee	Chairman
3	Ramco Industries Limited	Corporate Social Responsibility Committee	Member
4	Surya Lakshmi Cotton Mills Limited	Audit Committee	Member
5	Suryalata Spinning Mills Limited	Audit Committee	Member
6	GVK Jaipur Expressway Private Limited	Audit Committee	Member

Under Regulation 17(1A) of LODR, Special Resolution is necessary for appointing any person, as a Non-Executive Director, if he has attained the age of 75 years. The proposed Special Resolution satisfies the norm. The statement pursuant to Section 102 of the Companies Act, 2013, may be treated as the required justification for the appointment of Shri.R.S.Agarwal.

He holds no shares in The Ramco Cements Limited.

The draft letter of reappointment for Shri.R.S.Agarwal as an Independent Director, setting out the terms and conditions is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto the date of the Annual General Meeting.

Disclosure of Interest:

Except Shri.R.S.Agarwal, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution. The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of LODR.

Item No: 6

Shri.M.B.N.Rao (DIN 00287260) is a Non-Executive Independent Director of the Company.

At the Annual General Meeting held on 28-07-2014, Shri.M.B.N.Rao was appointed as Independent Director of the Company, for a period of 5 years from 01-04-2014 to 31-03-2019. In accordance with Section 149(10) of the Companies Act, 2013, he is eligible for reappointment upon passing of a Special Resolution at the General Meeting of the Company.

In accordance with Regulation 17(10) of LODR and Schedule IV of the Companies Act, 2013, the Board of Directors have evaluated the performance of Shri.M.B.N.Rao as an Independent Director and found the same to be satisfactory and his contributions to the deliberations were beneficial in Board / Committee Meetings.

In accordance with Part D(A)(5) of Schedule II, read with Regulation 19(4) of LODR and on the basis of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee at its meeting held on 23-05-2018 had recommended to extend the term of office of Shri.M.B.N.Rao by reappointing him for another period of 5 years from 01-04-2019 to 31-03-2024.

In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors have also formed an opinion that Shri.M.B.N.Rao fulfils the conditions specified in the Companies Act, 2013 for such reappointment.

Shri.M.B.N.Rao is eligible for sitting fee for attending Board / Committee Meetings as applicable to the Directors from time to time. His reappointment and remuneration is in accordance with Nomination and Remuneration Policy of the Company.

His reappointment has been included as Special Resolution and the Board of Directors recommend his reappointment.

His Profile in brief is given below:-

Shri.M.B.N.Rao, a graduate in Agriculture holds Diploma in Computer Studies from University of Cambridge and National Computing Centre, London and Certificate in Industrial Finance.

He started his Banking career in the year 1970 when he joined Indian Bank as a Probationary Officer. He has handled various assignments in the Banking Industry in India and Overseas and rose to become the Chairman and Managing Director of Indian Bank and later Chairman & Managing Director of Canara Bank, from where he retired.

He has visited USA, UK, Germany, France, Switzerland, Spain, Malaysia, Philippines, Thailand, Hong Kong and China in connection with multifarious responsibilities assigned to him.

He has been on the Board of The Ramco Cements Limited since 2009.

He is also Member of the Audit Committee of the Company.

He is also a Director in the following Companies:-

1. TAJ GVK Hotels and Resorts Limited
2. TI Financial Holdings Limited
3. Cholamandalam Investment and Finance Company Limited
4. MMTC – PAMP India Private Limited
5. Mumbai International Airport Private Limited
6. Apollo Munich Health Insurance Company Limited
7. Franklin Templeton Asset Management (India) Private Limited
8. CRISIL Risk and Infrastructure Solutions Limited
9. Nuziveedu Seeds Limited
10. Apollo Health and Lifestyle Limited
11. Green Woods Palaces and Resorts Private Limited

He is also a Member in the following Committees:-

No	Name of the Company	Name of the Committee	Position Held
1	Cholamandalam Investment and Finance Company Limited	Audit Committee	Member
2	Cholamandalam Investment and Finance Company Limited	Business Committee	Member
3	Cholamandalam Investment and Finance Company Limited	Risk Management Committee	Member
4	Cholamandalam Investment and Finance Company Limited	Compensation & Nomination Committee	Member
5	TAJ GVK Hotels & Resorts Limited	Audit Committee	Member
6	Nuziveedu Seeds Limited	Audit Committee	Member
7	Nuziveedu Seeds Limited	IT Committee	Member
8	Mumbai International Airport Private Limited	Audit Committee	Member
9	Apollo Health and Lifestyle Limited	Audit Committee	Member
10	Apollo Munich Health Insurance Company Limited	Audit Committee	Chairman
11	TI Financial Holdings Limited	Audit Committee	Chairman

He holds no shares in The Ramco Cements Limited.

The draft letter of reappointment for Shri.M.B.N.Rao as an Independent Director, setting out the terms and conditions is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto the date of the Annual General Meeting.

Disclosure of Interest:

Except Shri.M.B.N.Rao, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution. The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of LODR.

Item No: 7

Shri.M.M.Venkatachalam (DIN 00152619) is a Non-Executive Independent Director of the Company.

At the Annual General Meeting held on 28-07-2014, Shri.M.M.Venkatachalam was appointed as Independent Director of the Company, for a period of 5 years from 01-04-2014 to 31-03-2019. In accordance with Section 149(10) of the Companies Act, 2013, he is eligible for reappointment upon passing of a Special Resolution at the General Meeting of the Company.

In accordance with Regulation 17(10) of LODR and Schedule IV of the Companies Act, 2013, the Board of Directors have evaluated the performance of Shri.M.M.Venkatachalam as an Independent Director and found the same to be satisfactory and his contributions to the deliberations were beneficial in Board / Committee Meetings.

In accordance with Part D(A)(5) of Schedule II, read with Regulation 19(4) of LODR and on the basis of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee at its meeting held on 23-05-2018 had recommended to extend the term of office of Shri.M.M.Venkatachalam by reappointing him for another period of 5 years from 01-04-2019 to 31-03-2024.

In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors have also formed an opinion that Shri.M.M.Venkatachalam fulfils the conditions specified in the Companies Act, 2013 for such reappointment.

Shri.M.M.Venkatachalam is eligible for sitting fee for attending Board / Committee Meetings as applicable to the Directors from time to time. His reappointment and remuneration is in accordance with Nomination and Remuneration Policy of the Company.

His reappointment has been included as Special Resolution and the Board of Directors recommend his reappointment.

His Profile in brief is given below:-

Shri.M.M.Venkatachalam, a graduate in Agriculture from the University of Agricultural Sciences in Bangalore, holds Masters in Business Administration from the George Washington University, USA.

He had held the position of Vice Chairman of The Planters' Association of Tamil Nadu and was the past president of The Employers' Federation of Southern India.

He has been on the Board of The Ramco Cements Limited since 2013.

He is also the Chairman of Stakeholders Relationship Committee and Corporate Social Responsibility Committee and Member of Audit Committee and Nomination and Remuneration Committee of the Company.

He is also a Director in the following Companies:-

1. Ramco Systems Limited
2. Coromandel International Limited
3. Coromandel Engineering Company Limited
4. EID (Parry) India Limited
5. Parry Agro Industries Limited
6. Ootacamund Club
7. Ambadi Enterprises Limited
8. Ambadi Investments Limited
9. M M Muthiah Sons Private Limited
10. New Ambadi Estates Private Limited
11. Alampara Hotels and Resorts Private Limited
12. M M Muthiah Research Foundation
13. USV Private Limited

He is also a Member in the following Committees:-

No	Name of the Company	Name of the Committee	Position Held
1	Ramco Systems Limited	Audit Committee	Member
2	Ramco Systems Limited	Nomination and Remuneration Committee	Chairman
3	Ramco Systems Limited	Allotment Committee	Chairman
4	Ramco Systems Limited	Fund Raising Committee	Member
5	Ramco Systems Limited	Rights Issue 2013 Committee	Member
6	Ramco Systems Limited	Corporate Social Responsibility Committee	Member
7	Coromandel Engineering Company Limited	Nomination and Remuneration Committee	Member
8	Coromandel Engineering Company Limited	Risk Management Committee	Member
9	Coromandel International Limited	Audit Committee	Member
10	Coromandel International Limited	Nomination and Remuneration Committee	Member
11	Coromandel International Limited	Corporate Social Responsibility Committee	Member
12	E I D Parry (India) Limited	Audit Committee	Member
13	Parry Agro Industries Limited	Audit Committee	Member
14	Parry Agro Industries Limited	Stakeholders Relationship Committee	Chairman
15	Parry Agro Industries Limited	Nomination and Remuneration Committee	Member
16	Parry Agro Industries Limited	Corporate Social Responsibility Committee	Chairman
17	New Ambadi Estates Private Limited	Corporate Social Responsibility Committee	Chairman
18	Ambadi Enterprises Limited	Audit Committee	Member
19	Ambadi Enterprises Limited	Nomination and Remuneration Committee	Member
20	Ambadi Enterprises Limited	Corporate Social Responsibility Committee	Member
21	USV Private Limited	Corporate Social Responsibility Committee	Member

He holds no shares in The Ramco Cements Limited.

The draft letter of reappointment for Shri.M.M.Venkatachalam as an Independent Director, setting out the terms and conditions is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto the date of the Annual General Meeting.

Disclosure of Interest:

Except Shri.M.M.Venkatachalam, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution. The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of LODR.

Item No: 8

PLAN A

The Company is proposing Employee Stock Option Schemes, to reward those who had put in long service and contributed to the growth of the Company. The objective of the scheme is to give them opportunity to participate and gain from the Company's performance, thereby acting as a suitable reward.

Participation in the ownership of the Company, through share based compensation schemes will be a just reward for the employees for their continuous hard work, dedication and support, which has led the company to be what it is today.

The scheme is also intended to attract and retain key talents and motivate them to contribute for the Company's progress and profitability.

Accordingly, the Company had formulated "Employee Stock Option Scheme 2018 – Plan A" (ESOS 2018 – PLAN A) with the aggregate shares underlying the stock option scheme as 5,00,000 equity shares of ₹ 1/- each. The scheme will be extended to the Employees of the Company, as defined in Regulation 2(1)(f) of SBEB.

The scheme will be implemented in accordance with Rule 12 of the Rules and SBEB and such other laws, as may be applicable in this regard, by the Nomination and Remuneration Committee of the Company.

The main features of the ESOS 2018 – PLAN A are as under:

1. Brief Description of the Scheme(s):

   This proposed Scheme called Employees Stock Option Scheme 2018 – Plan A (ESOS 2018 – PLAN A) is intended to reward the Eligible Employees of the Company, for their performance and to motivate them to contribute to the progress and profitability of the Company. The Company also intends to

use this Scheme to retain talent in the organization as it views options as instruments that would enable the Employees to share the value they create for the Company.

2. Total number of options to be granted:

   Such number of options would be available for grant to the eligible employees of the Company under ESOS 2018 – PLAN A, in one or more tranches exercisable up to 5,00,000 (Five Lakhs) Equity Shares in the Company of face value of ₹ 1/- each fully paid-up.

   Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation/termination of the employees or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed / cancelled options as per the provisions of ESOS 2018 – PLAN A, within overall ceiling.

   The SBEB require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, the Committee is authorised to decide on issue of additional options, in such circumstances, subject to compliance of the SEBI (SBEB) Regulations.

3. Identification of classes of employees entitled to participate in ESOS 2018 – PLAN A:

   The Permanent employees of the Company, who have put in 15 years of service are entitled to participate in ESOS 2018 – PLAN A. Following persons are not eligible:

   a) an employee who is a Promoter or belongs to the Promoter Group;

   b) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

   c) an Independent Director within the meaning of the Companies Act, 2013.

4. Requirements of vesting and period of vesting:

   The options granted shall vest so long as an employee continues to be in the employment of the Company. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which options granted would vest subject to the minimum vesting period of 1 (one) year.

   The vesting dates in respect of the options granted under the Scheme may vary from employee to employee or any class thereof and/or in respect of the number or percentage of options granted to an employee.

5. Maximum period within which the options shall be vested:

   Options granted under ESOS 2018 – PLAN A would vest subject to maximum period of 5 (five) years from the date of grant of such options, as may be decided by the Committee.

6. Exercise price or pricing formula:

   The Exercise Price shall be equal to ₹ 1/- (Rupees One only) per option or any other price as may be decided by the Committee.

7. Exercise period and the process of Exercise:

   The options vested during a financial year can be exercised by the Grantee on or before 31st December of the immediately succeeding Financial Year.

   The Vested options shall be exercisable by the employees by an application to the Company expressing his/her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. The options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under ESOS 2018 – PLAN A:

   The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time.

9. Maximum number of options to be issued per employee and in aggregate:

   The number of options that may be granted to any specific employee of the Company under ESOS 2018 – PLAN A, shall not exceed 1 lakh in any financial year and shall not exceed 2 lakh in aggregate.

10. Maximum Quantum of benefits to be provided per employee under the ESOS 2018 – PLAN A:

    The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options.

11. Scheme of implementation:

    The Scheme shall be implemented and administered directly by the Company.

12. Source of Shares:

    The Scheme contemplates fresh Issue of Shares by the Company ("Primary Shares").

13. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms etc.:

    Company is not providing any loan for ESOS 2018 – PLAN A purpose, as Company is directly implementing the plan.

14. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:

    Not applicable.

15. Accounting and Disclosure Policies:

    The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant

Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

16. Method of Valuation:

The Company shall use one of the applicable methods (intrinsic value or fair value) to value its options. In case of Intrinsic Value Method, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earnings per Share (EPS) of the company shall be disclosed in the Board's report.

Consent of the members is being sought by way of Special Resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Act and as per Regulation 6 of the SBEB.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in the Resolution to the extent of any Stock Options that may be granted to them and the resultant equity shares issued, as applicable.

PLAN B

The Company is proposing Employee Stock Option Schemes, to reward those who had put in long service and contributed to the growth of the Company. The objective of the scheme is to give them opportunity to participate and gain from the Company's performance, thereby acting as a suitable reward.

Participation in the ownership of the Company, through share based compensation schemes will be a just reward for the employees for their continuous hard work, dedication and support, which has led the company to be what it is today.

The scheme is also intended to attract and retain key talents and motivate them to contribute for the Company's progress and profitability.

Accordingly, the Company had formulated "Employee Stock Option Scheme 2018 – Plan B" (ESOS 2018 – PLAN B) with the aggregate shares underlying the stock option scheme as 7,00,000 equity shares of ₹ 1/- each. The scheme will be extended to the Employees of the Company, as defined in Regulation 2(1)(f) of SBEB.

The scheme will be implemented in accordance with Rule 12 of the Rules and SBEB and such other laws, as may be applicable in this regard, by the Nomination and Remuneration Committee of the Company.

The main features of the ESOS 2018 – PLAN B are as under:

1. Brief Description of the Scheme(s):

This proposed Scheme called Employees Stock Option Scheme 2018 – Plan B (ESOS 2018 – PLAN B) is intended to reward the Eligible Employees of the Company, for their performance and to motivate them to contribute to the progress and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization as it views options as instruments that would enable the Employees to share the value they create for the Company.

2. Total number of options to be granted:

Such number of options would be available for grant to the eligible employees of the Company under ESOS 2018 – PLAN B, in one or more tranches exercisable up to 7,00,000 (Seven Lakhs) Equity Shares in the Company of face value of ₹ 1/- each fully paid-up.

Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation/termination of the employees or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed / cancelled options as per the provisions of ESOS 2018 – PLAN B, within overall ceiling.

The SBEB require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, the Committee is authorised to decide on issue of additional options, in such circumstances, subject to compliance of the SEBI (SBEB) Regulations.

3. Identification of classes of employees entitled to participate in ESOS 2018 – PLAN B:

The Permanent employees of the Company, who have put in 2 years of service are entitled to participate in ESOS 2018 – PLAN B. Following persons are not eligible:

a) an employee who is a Promoter or belongs to the Promoter Group;

b) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

c) an Independent Director within the meaning of the Companies Act, 2013.

4. Requirements of vesting and period of vesting:

The options granted shall vest so long as an employee continues to be in the employment of the Company. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which options granted would vest subject to the minimum vesting period of 1 (one) year.

The vesting dates in respect of the options granted under the Scheme may vary from employee to employee or any class thereof and/or in respect of the number or percentage of options granted to an employee.

5. Maximum period within which the options shall be vested:

Options granted under ESOS 2018 – PLAN B would vest

subject to maximum period of 5 (five) years from the date of grant of such options, as may be decided by the Committee.

6. Exercise price or pricing formula:

   The Exercise Price shall be equal to ₹ 100/- (Rupees One hundred only) per option or any other price as may be decided by the Committee.

7. Exercise period and the process of Exercise:

   The options vested during a financial year can be exercised by the Grantee on or before 31st December of the immediately succeeding Financial Year.

   The Vested options shall be exercisable by the employees by an application to the Company expressing his/her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. The options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under ESOS 2018 – PLAN B:

   The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time.

9. Maximum number of options to be issued per employee and in aggregate:

   The number of options that may be granted to any specific employee of the Company under ESOS 2018 – PLAN B, shall not exceed 1 lakh in any financial year and shall not exceed 2 lakh in aggregate.

10. Maximum Quantum of benefits to be provided per employee under the ESOS 2018 – PLAN B:

    The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options.

11. Scheme of implementation:

    The Scheme shall be implemented and administered directly by the Company.

12. Source of Shares:

    The Scheme contemplates fresh Issue of Shares by the Company ("Primary Shares").

13. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms etc.:

    Company is not providing any loan for ESOS 2018 – PLAN B purpose, as Company is directly implementing the plan.

14. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:

    Not applicable.

15. Accounting and Disclosure Policies:

    The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

16. Method of Valuation:

    The Company shall use one of the applicable methods (intrinsic value or fair value) to value its options. In case of Intrinsic Value Method, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earnings per Share (EPS) of the company shall be disclosed in the Board's report.

    Consent of the members is being sought by way of Special Resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Act and as per Regulation 6 of the SBEB.

    The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in the Resolution to the extent of any Stock Options that may be granted to them and the resultant equity shares issued, as applicable.

Item No: 9

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee had appointed Shri.M.F.Farooqui, IAS (Retd.) (DIN 01910054) as Additional Director on 30th August 2017, under Non-Executive Independent Director category.

Shri.M.F.Farooqui had spent 36 years as a career Civil Servant in the Indian Administrative Service. He had worked in the Government of India in various positions, including as Secretary–Department of Telecom and Heavy Industries, Special Secretary & Additional Secretary–Ministry of Environment and Joint Secretary–Department of Economic Affairs.

In the Government of Tamil Nadu, he had worked as Principal Secretary – Industries Department, Member Secretary – Chennai Metropolitan Development Authority and Deputy Secretary – Finance Department (Budget).

He had also served as Chairman of Repco Bank, Titan Company Limited and Tamilnadu Newsprint & Papers Limited.

He holds Masters Degree in Physics and Business Administration.

He is presently on the Board of TVS Electronics Limited as Independent Director.

In terms of Section 161(1) of the Companies Act, 2013 read with Article 92 of the Articles of Association of the Company, Shri.M.F.Farooqui holds office as Additional Director up to the date of the forthcoming Annual General Meeting.

Shri.M.F.Farooqui is proposed to be appointed as an Independent Director for 5 consecutive years from the date of his appointment.

He has furnished a declaration pursuant to section 149(6) of the Companies Act, 2013 that he meets the criteria of independence and is hence eligible for appointment as an Independent Director. In the opinion of the Board, Shri.M.F.Farooqui fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

He holds no shares in The Ramco Cements Limited.

The Board of Directors is of the opinion that his vast knowledge and experience will be of great value to the Company and hence recommends the Resolution for your approval.

A copy of the letter of appointment issued to Shri.M.F.Farooqui would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Except Shri.M.F.Farooqui, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are interested in this Resolution. The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of LODR.

Item No: 10

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of Company, relating to manufacture of cement and generation of wind energy.

On the recommendation of the Audit Committee at its meeting held on 23-05-2018, the Board had approved the appointment of M/s.Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of cement and generation of wind energy, for the financial year 2018-19. The Board had approved a remuneration of ₹ 4,50,000/- (Rupees Four lakhs fifty thousand only) exclusive of GST and Out-of-pocket expenses.

The remuneration to be paid to the cost auditor is required to be ratified by the members, in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014.

The Directors recommend the Resolution to the Members for their approval. None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.

BOARD'S REPORT

Your Directors have pleasure in presenting their 60th Annual Report and the Audited Financial Statement of the Company for the year ended 31st March 2018.

FINANCIAL RESULTS (₹ **in Crores**)

SEPARATE FINANCIALS	**Year ended 31-03-2018**	Year ended 31-03-2017
Revenue (Net of Duties and Taxes)	**4,443.00**	3,993.05
Operating Profit: Profit before Interest, Depreciation and Tax (PBIDT)	**1,136.07**	1,238.16
Less: Interest	**59.21**	103.52
Profit before Depreciation and Tax (PBDT)	**1,076.86**	1,134.64
Less: Depreciation	**292.20**	284.49
Profit before tax	**784.66**	850.15
Less: Tax Expenses		
Current Tax	**204.54**	187.00
Excess Tax Provision related to earlier years written back	**(4.86)**	–
Deferred Tax	**22.02**	15.90
Deferred Tax adjustment of earlier years	**7.30**	(2.04)
Profit After Tax	**555.66**	649.29
Other Comprehensive Income for the year (Net of Taxes)	**(1.72)**	(1.24)
Total Comprehensive Income for the year (TCI)	**553.94**	648.05

CAPITAL AND BUY-BACK

The paid up capital of the Company was ₹ 23,80,76,780/- consisting of 23,80,76,780 shares of ₹ 1/- each as on 31-03-2017.

The Board of Directors at their meeting held on 07-02-2017, approved a buy-back of shares upto a maximum size of ₹ 180 crores at a price not exceeding ₹ 720/- per share and maximum of 25 lakh shares. The shares were bought back through Open Market purchases on the Stock Exchanges from 12-04-2017 to 16-08-2017. The Company had purchased the 25 lakh shares at an average rate of ₹ 673/- per share at a total cost of ₹ 168.12 Crores including brokerage and other charges and net of input tax credits. The Company had also completed the extinguishment formalities for the shares bought back and consequently the paid up share capital of the company stands at ₹ 23,55,76,780 comprising of 23,55,76,780 shares of ₹ 1/- each as on 31-03-2018.

DIVIDEND

Your Directors have pleasure in recommending a dividend of ₹ 3/- per share on the equity capital of the Company, as against ₹ 3/- per share for the previous year. The recommendation of the dividend by the Directors is in accordance with the "Dividend Distribution Policy" of the Company.

TAXATION

An amount of ₹ 199.68 crores towards Current Tax and ₹ 29.32 crores towards Deferred Tax have been provided for the year under review.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

CEMENT DIVISION

PRODUCTION

Particulars	April 2017 to March 2018	April 2016 to March 2017	Increase over previous year	
	(In Tons)	(In Tons)	(In Tons)	(In %)
Clinker	71,64,750	60,67,259	10,97,491	18
Cement	93,15,855	83,10,513	10,05,342	12

SALES

During the year under review, the sale of cement was at 93.12 lakh tons, compared to 83.48 lakh tons, showing an increase of 12%. As against this, the overall growth of the cement market for the country for the year under review was about 6 to 7%.

This is the first year, the Company's production and sale of cement had crossed the 9 million mark.

There has been a decent growth in the sales in the Southern States, which is the Company's core market, except in Tamil Nadu. Due to sluggishness in economic development in Tamil Nadu, the Company could not improve its sales, compared to previous year. Scarcity of sand in the State has also contributed to the lack of growth. However, there were signs of improvement in the second half of the year under review, which are expected to continue in the current year.

The Company has grown strongly in the Eastern Markets during the year under review. This had contributed to the significant growth in the overall sales of the Company for the year. The grinding units at Kolaghat and Vizag had enabled the Company to serve the Eastern Markets efficiently, which has contributed to the increase in market share in that area.

During the year under review, the Company has exported 1.31 lakh tons as against 1.39 lakh tons during the previous year. The export turnover of the Company for the year was ₹ 55.97 crores as against ₹ 52.35 crores of the previous year.

COST

Average diesel price had increased by 8% during the year, which had resulted in the increase in transportation cost of both raw materials and finished goods.

During the year, cost of Pet Coke and Coal had also steeply increased. The Company is exploring ways to minimise the impact

of cost. As part of this objective, the Company has started using alternate fuel.

The reduction in borrowings by ₹ 310 Crores, together with the reduction of 1.13% in the average rate of interest has resulted in decrease in interest cost.

READY MIX CONCRETE DIVISION

The Division has produced 36,624 cu.m of concrete during the year, accounting for a revenue of ₹ 15.55 crores (Net of duties and taxes) as against 17,604 cu.m. of concrete accounting for a revenue of ₹ 7.46 crores during the previous year.

DRY MORTAR DIVISION

The Division has produced 39,290 tons of Dry Mortar during the year as against 39,851 tons produced during the previous year. The Division has sold 39,224 tons of Dry Mortar accounting for a revenue of ₹ 26.33 crores (Net of duties and taxes) during the year as against 39,843 tons of Dry Mortar accounting for a revenue of ₹ 25.81 crores during the previous year.

WIND FARM DIVISION

The Division has generated 2,624 lakh units as compared to 2,747 lakh units in the previous year. Out of this, 2,543 lakh units were generated from the wind farms in Tamil Nadu and 81 lakh units from the wind farms in Karnataka. Out of the units generated in Tamil Nadu, 393 lakh units were meant for adjustment against the power consumed in our plants and balance 2,150 lakh units have been sold to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) for a value of ₹ 64.38 crores. The units generated in Karnataka were fully consumed at our Mathodu Cement Plant.

The installed capacity of the wind farm of the company was 125.95 MW as on 31-03-2018 comprising of 108 Wind Electric Generators.

The income during the year from the Division was ₹ 66.96 crores as against ₹ 72.44 crores of the previous year.

POWER PLANTS

During the year under review, the 6 MW thermal power project at Jayanthipuram had been commissioned in December 2017. On commissioning, the aggregate capacity of the thermal power plants had gone up to 175 MW. The power generated from the thermal power plants were mostly used for self-consumption in the cement manufacturing.

NEW PROJECTS

The Company is establishing a Line III at the existing Jayanthipuram Plant with a clinkerisation capacity of 1.5 Million Tonnes Per Annum (MTPA). The cost of the project is ₹ 680 crores and is expected to be commissioned in the year 2019-2020.

The Company is establishing a cement grinding unit at Haridaspur in Jajpur District in the State of Odisha with a cement grinding capacity of 0.9 MTPA. The cost of the project is ₹ 515 crores and is expected to be commissioned in the year 2019-2020.

The Company is expanding its Vizag grinding unit by going in for another line with a grinding capacity of 1.1 MTPA. The cost of the project is ₹ 250 crores and is expected to be commissioned in the year 2019-2020.

The Company is expanding its Kolaghat grinding unit by going in for another line with a grinding capacity of 1.1 MTPA. The cost of the project is ₹ 330 crores and is expected to be commissioned in the year 2019-2020.

The clinker that would be manufactured from the Line III of Jayanthipuram would meet the requirements of the proposed grinding units.

The cement produced at the grinding units would help the Company to further expand its markets in the Coastal Districts of Andhra Pradesh and in the States of Odisha, Jharkhand and West Bengal.

The proposal to establish the grinding units near fly ash/slag availability areas and major cement consumption areas would enable the Company to economise its transportation costs and serve the markets in a better way.

The Company has also acquired a cement grinding unit from Ramco Industries Limited in March 2018. The Plant having a capacity to grind 0.2 MTPA of cement, is located in Kharagpur, West Bengal.

TURNOVER AND PROFITABILITY

The total revenue (net of duties and taxes) for the year was ₹ 4,443.00 crores as against ₹ 3,993.05 crores of the previous year, showing an increase of 11%. The lack of growth in the Company's core markets has contributed to lower realisation for the year, compared to the previous year.

The operating profit and profit after tax for the year had decreased to ₹ 1,136.07 crores and ₹ 555.66 crores as against ₹ 1,238.16 crores and ₹ 649.29 crores respectively of the previous year. The lower Operating Profit and Net Profit compared to previous year was mainly due to lower realisation and increase in energy cost.

The Total Comprehensive Income for the year under review is ₹ 553.94 crores as against ₹ 648.05 crores of the previous year. After appropriations a sum of ₹ 200 crores has been kept as retained earnings of the Company and the remaining amount has been transferred to General Reserve.

SUBSIDIARY COMPANY

The Company has a subsidiary, viz. Ramco Windfarms Limited, whose capital is ₹ 1.00 crore, out of which 71.50% is held by our Company. The rest of the share capital is held by Ramco Group of Companies.

The installed capacity of the Subsidiary Company was 39.835 MW as on 31-03-2018 comprising of 127 Wind Electric Generators.

The Subsidiary Company had generated 436 lakh units of power as compared to 451 lakh units of power during the previous year.

The revenue and profit after tax for the subsidiary company for the year ended 31-03-2018 were ₹ 17.45 crores and ₹ 4.54 crores compared to ₹ 17.81 crores and ₹ 4.35 crores respectively of the previous year.

In accordance with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the Financial Statements of the Subsidiary and Associates is attached in Form AOC-1 as Annexure - 1.

CONSOLIDATED FINANCIAL STATEMENTS

The Company has 6 Associate Companies, viz. Rajapalayam Mills Limited, Ramco Industries Limited, Ramco Systems Limited, Sri Vishnu Shankar Mill Limited, Lynks Logistics Limited and Madurai Trans Carrier Limited.

As per provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of LODR, Companies are required to prepare consolidated financial statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of the Company. Accordingly, the consolidated financial statements incorporating the accounts of Subsidiary Company and Associate Companies, along with the Auditors' Report thereon, forms part of this Annual Report.

As per Section 136(1) of the Companies Act, 2013 the financial statements including consolidated financial statements are available at the Company's website at the following link at http://www.ramcocements.in/financial-performance.aspx

Separate audited accounts in respect of the subsidiary company are also made available at the Company's website. The Company shall provide a copy of separate audited financial statements in respect of its Subsidiary Company to any shareholder of the Company who asks for it.

The consolidated net profit after tax of the company amounted to ₹ 563.76 crores for the year ended 31st March 2018 as compared to ₹ 662.74 crores of the previous year.

The Consolidated Total Comprehensive Income for the year under review is ₹ 562.86 crores as against ₹ 662.32 crores of the previous year.

DIRECTORS

As informed in the Board's Report for the year ended 31st March 2017, Shri.P.R.Venketrama Raja had been appointed as Chairman & Managing Director with effect from 4th June 2017, consequent to the passing away of Shri.P.R.Ramasubrahmaneya Rajha.

Shri.M.F.Farooqui, IAS (Retd.) (DIN: 01910054) has been co-opted on 30-08-2017 as an Additional Director under Independent Director category. He will hold the office till the date of the forthcoming Annual General Meeting. It is proposed to appoint Shri.M.F.Farooqui as a Director under Independent Director category at the Annual General Meeting to hold office for 5 consecutive years with effect from 30-08-2017, without being subject to retirement by rotation.

Pursuant to Rule 8(5)(iii) of Companies (Accounts) Rules, 2014, it is reported that, there have been no changes in the Key Managerial Personnel during the year under review.

The Independent Directors hold office for a fixed term of 5 years and are not liable to retire by rotation. No Independent Director has retired during the year.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

At the Annual General Meeting held on 28-07-2014, the following Directors were appointed as Independent Directors for a period of 5 years from 01-04-2014 to 31-03-2019.

Shri.R.S.Agarwal

Shri.M.B.N.Rao

Shri.M.M.Venkatachalam

They are eligible for reappointment for another period of 5 years as Independent Directors from 01-04-2019 to 31-03-2024. In accordance with Section 149(10) of the Companies Act, 2013, their reappointment has been proposed in the Notice convening the Annual General Meeting as Special Resolutions.

The Nomination and Remuneration Committee and Board of Directors at the Meetings held on 23-05-2018 have evaluated the performance of the Independent Directors and based on the contribution of the Directors, have recommended their reappointment.

The Audit Committee has four members, out of which three are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013, it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

In accordance with Section 178(3) of the Companies Act, 2013 and based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and Other Employees.

As per Proviso to Section 178(4), the salient features of the Nomination and Remuneration Policy should be disclosed in the Board's Report. Accordingly the following disclosures are given:

Salient Features of the Nomination and Remuneration Policy:

The objective of the Policy is to ensure that

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management shall be appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee and this Policy shall be in compliance with the Companies Act, 2013 and LODR.

The web address of the Policy is - http://www.ramcocements.in/pdffiles /policies/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf

As required under Regulation 25(7) of LODR, the Company has programmes for familiarisation for the Independent Directors about the nature of the industry, business model, roles, rights and responsibilities of Independent Directors and other relevant information. As required under Regulation 46(2)(i) of LODR, the details of the Familiarisation Programme for Independent Directors are available at the Company's website, at the following link at http://www.ramcocements.in/Familiarisation.aspx

The details of the familiarisation programme are explained in the Corporate Governance Report also.

BOARD EVALUATION

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Regulation 25(4) of LODR, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, performance of the Board as a whole and its Members and other required matters.

Pursuant to Schedule II, Part D of LODR, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of reappointment of Independent Director.

Pursuant to Regulation 17(10) of LODR, the Board of Directors have evaluated the performance of Independent Directors and observed the same to be satisfactory and their deliberations beneficial in Board / Committee meetings.

Pursuant to Regulation 4(f)(2)(ii) of LODR, the Board of Directors have reviewed and observed that the evaluation framework of the Board of Directors was adequate and effective.

The Board's observations on the evaluations for the previous year were similar to their observations for the year under review. No specific actions have been warranted based on current year observations. The Company would continue to familiarise its Directors on the industry, technological and statutory developments, which have a bearing on the Company and the industry, so that Directors would be effective in discharging their expected duties.

MEETINGS

During the year six Board Meetings were held. The details of the number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director are given in the Corporate Governance Report.

SECRETARIAL STANDARD

As required under Clause 9 of Secretarial Standard 1, the Board of Directors confirm that the company has complied with applicable Secretarial Standards.

PUBLIC DEPOSITS

The Company has decided not to accept deposits from 01-04-2014.

The Company had 7 unclaimed fixed deposits amounting to ₹ 1.00 lakh at the beginning of the year. During the year, the Company has transferred 2 deposits to an extent of ₹ 0.24 lakhs together with the accrued interest thereon to IEPF, in accordance with Section 125(2)(i) and (k) of the Companies Act, 2013. Consequently, the deposits remaining unclaimed as on 31-03-2018, have come down to 5 in numbers, amounting to ₹ 0.76 lakhs.

No deposit has been claimed from 01-04-2018 till the date of this report.

ORDERS PASSED BY REGULATORS

Pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, it is reported that, no significant and material orders have been passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, the details of loans, guarantees and investments are provided under Note 52(c)(3), 52(c)(7) and 52(a)(28) of Disclosures forming part of Separate financial statements.

AUDITS

STATUTORY AUDIT

The Companies Amendment Act, 2017, had removed the necessity for ratification of the appointment of Statutory Auditors, by Members at every Annual General Meeting during their tenure of appointment. Accordingly, the practice of seeking yearly ratification for the appointment of Statutory Auditors at the Annual General Meeting is dispensed with.

M/s.Ramakrishna Raja And Co., Chartered Accountants, (FRN:005333S) and M/s.SRSV & Associates, Chartered Accountants, (FRN:015041S), who have been appointed as the Statutory Auditors of the company at the 59th Annual General Meeting would be the Auditors of the Company, till the conclusion of the 64th Annual General Meeting of the Company to be held in the year 2022.

The report of the Statutory Auditors for the year ended 31st March 2018 does not contain any qualification, reservation or adverse remark.

COST AUDIT

The Board of Directors had approved the appointment of M/s.Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records for the year 2018-19 at a remuneration of ₹ 4.50 lakhs.

The remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter relating to their remuneration had been included in the Notice convening the 60th Annual General Meeting scheduled to be held on 03-08-2018, for ratification by the Members.

The Cost Audit Report for the financial year 2016-17 due to be filed with Ministry of Corporate Affairs by 02-09-2017, had been filed on 31-08-2017. The Cost Audit Report for the financial year 2017-18 due to be submitted by the Cost Auditor within 180 days from the closure of the financial year will be filed with the Ministry of Corporate Affairs, within 30 days thereof.

SECRETARIAL AUDIT

M/s.S.Krishnamurthy & Co., Company Secretaries, have been appointed to conduct the Secretarial Audit of the Company. Pursuant to Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditors for the year ended 31st March 2018 is attached as Annexure – 2. The report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is attached herewith as Annexure – 3.

CORPORATE GOVERNANCE

The Company has complied with the requirements regarding Corporate Governance as stipulated in LODR. As required under Schedule V(C) of LODR, a Report on Corporate Governance being followed by the Company is attached as Annexure – 4. As required under Schedule V(E) of LODR, a Certificate from the Secretarial Auditors confirming compliance is also attached as Annexure – 5.

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy which is based on the philosophy that "As the Organisation grows, the Society and Community around it also grows."

The Company has undertaken various projects in the areas of education, health, rural development, water and sanitation, promotion and development of traditional arts, protection of national heritage, livelihood enhancement projects, etc. largely in accordance with Schedule VII of the Companies Act, 2013.

The CSR obligations pursuant to Section 135(5) of the Companies Act, 2013, for the year 2017-18 is ₹ 12.56 crores. As against this, the Company has spent ₹ 10.93 crores on CSR, leaving a shortfall of ₹ 1.63 crores. Because of want of identification of projects, the shortfall had occurred. However, the company had spent a sum of ₹ 0.50 crores on other social causes and projects, which do not qualify as CSR expenditure under the classifications listed out in Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure – 6.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of LODR, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The policy is available at the Company's website.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of LODR, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimisation of risk thereof.

RELATED PARTY TRANSACTIONS

Prior approval / omnibus approval is obtained from the Audit Committee for all Related Party Transactions and the transactions are also periodically placed before the Audit Committee for its approval. The particulars of contracts entered into by the Company during the year as per Form AOC-2 is enclosed as Annexure – 7. No transaction with the related party is material in nature, in accordance with Company's "Related Party Transaction Policy" and Regulation 23 of LODR. In accordance with Ind AS-24, the details of transactions with the related parties are set out in the Disclosures forming part of Financial Statements.

As required under Regulation 46(2)(g) of LODR, the Related Party Transaction Policy is disclosed in the Company's website and its weblink is –

http://www.ramcocements.in/pdffiles/policies/RELATED%20PARTY%20 TRANSACTION%20POLICY%202015.pdf

As required under 46(2)(h) of LODR, the Company's Material Subsidiary Policy is disclosed in the Company's website and its weblink is –

http://www.ramcocements.in/pdffiles/policies/MATERIAL%20SUBSIDIARY%20POLICY.pdf

FUTURE OUTLOOK

The Union Budget for the year 2018-2019 has focussed on uplifting of the rural economy, strengthening of the agriculture sector,

healthcare for the economically less privileged, infrastructure creation and MSME Sector.

The India Meteorological Department (IMD) has forecast a normal monsoon in 2018, with rainfall likely to be 97% of the long-term average.

The country had adopted the Goods and Services Tax, a single tax to replace the existing Central and State multi taxes and levies.

All the above factors are favourable for the sustained growth of the economy, specifically construction and infrastructure.

As all our plants are fully equipped with railway siding, stand-by power back up facility and are supported with grinding units at strategic locations, our Company will be able to take full advantage of the economic momentum in the coming years.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure – 8.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration, are provided in Annexure – 9.

INDUSTRIAL RELATIONS & PERSONNEL

The Company has 3,034 employees as on 31-03-2018. Industrial relations in all the Units continue to be cordial and healthy. Employees at all levels are extending their full support and are actively participating in the various programmes for energy conservation and cost reduction. There is a special thrust on Human Resources Development with a view to promoting creative and group effort.

AWARDS RECEIVED DURING THE YEAR

The Company had been awarded the prestigious Chennai Best Employer Brand Award 2017 by Employer Branding Institute – India for being exemplary in HR Practices and having used marketing communications effectively for Human Resources Development. This award is the fruit of cumulative and sustained efforts put in over a period of three decades in the arena of branding the company as an employer in its endeavour to attract and retain best talents.

The Company had won many awards in Mines Environment and Mineral Conservation, Environmental Health and Safety, Mines Safety, Quality Circles, Kaizen, 5S, etc. during the year.

The Jayanthipuram Plant had been bestowed with an Award and Letter of Appreciation for "Better Environmental Practices followed in the Cement Industry for the year 2016-17" in the State of Andhra Pradesh by Andhra Pradesh Pollution Control Board.

The Ramasamy Raja Nagar Plant had won the following awards:

* Second Best Improvement in Electrical Energy Performance for the years 2015-16 and 2016-17 from National Council for Cement and Building Materials.
* Environment, Health & Safety Excellence Award 2017 conferred by Confederation of Indian Industry for Commitment to EHS Practices.
* National Award for Excellence in Energy Management – 2017 from Confederation of Indian Industry at the National Level Competition. The Plant had been awarded as an "Innovative Project" and "Excellent Energy Efficient Unit" Award Shield and Certificate of Merit.

The Alathiyur Plant had won the following awards:

* Best Environmental Excellence in Limestone Mines for the years 2015-16 and 2016-17 from National Council for Cement and Building Materials.
* Second Best Environmental Excellence in Cement Plants for the year 2016-17 from National Council for Cement and Building Materials.
* Best Improvement in Energy Performance for the year 2016-17 from National Council for Cement and Building Materials.
* Environment, Health & Safety Excellence Award 2017 conferred by Confederation of Indian Industry for the third time, for Commitment to EHS Practices.
* National Award for Excellence in Energy Management – 2017 from Confederation of Indian Industry at the National Level Competition. The Plant had been bestowed with "Excellent Energy Efficient Unit" Award Shield and Certificate of Merit. This is the 14th time such an award is received by the Plant.

The Ariyalur Plant had won second Best Environmental Excellence in Limestone Mines for the year 2015-16 from National Council for Cement and Building Materials.

The Ariyalur Plant had been awarded with First Prize for Industrial Safety for the year 2013 and Second Prize for Industrial Accident Free Environment in State level for the year 2013, by Directorate of Industrial Safety and Health, Chennai.

The Chengalpattu grinding unit was awarded "Green Award – 2015" by the Honourable Chief Minister of Tamil Nadu, Thiru. Edappadi K.Palaniswami.

SHARES

The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that

(a) they had followed the applicable accounting standards along with proper explanation relating to material departures, if any,

in the preparation of the annual accounts for the year ended 31st March 2018;

(b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2018 and of the profit of the company for the year ended on that date;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the annual accounts on a going concern basis;

(e) they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

Annexure - 1

FORM AOC – 1

[Pursuant to section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiary and Associate Companies

PART A – SUBSIDIARY COMPANY **(₹ In Crores)**

Particulars	**2017-18**
Name of Subsidiary Company	Ramco Windfarms Limited
Reporting Currency	INR
Share Capital	1.00
Reserves & Surplus	10.32
Total Assets	48.49
Total Liabilities	37.17
Investments	--
Turnover/Total Income	17.45
Profit/(Loss) before Taxation	6.32
Provision for Taxation	1.78
Profit /(Loss) after Taxation	4.54
Proposed Dividend	--
Percentage of Shareholding	71.50%

PART B – ASSOCIATE COMPANIES

Particulars	2017-18	2017-18	2017-18	2017-18	2017-18	2017-18
Name of the Associate Company	Madurai Trans Carrier Limited	Ramco Industries Limited	Ramco Systems Limited	Rajapalayam Mills Limited	Sri Vishnu Shankar Mill Limited	Lynks Logistics Limited
Latest Audited Balance Sheet Date	31-03-2017	31-03-2017	31-03-2017	31-03-2017	31-03-2017	31-03-2017
Date on which the Associate was associated or acquired	18-04-2015	01-04-2016	01-04-2016	01-04-2016	01-04-2016	01-04-2016
No. of Shares held	5,37,50,000	1,33,72,500	54,17,810	25,600	2,100	3,19,00,000
Amount of Investment in Associate (₹ in crores)	5.37	20.53	90.56	0.29	0.01	3.19
Extent of Shareholding %	29.86	15.43	17.82	0.35	0.14	45.57
Description of how there is significant influence	Refer Note below					
Reason why associate is not consolidated	Not applicable					
Net worth attributable to Shareholding (₹ in crores)	20.07	2,710.27	540.74	1,488.24	152.17	4.95
Profit/Loss for the year (Consolidated) (₹ in crores)	(0.03)	208.72	10.32	145.07	13.57	(2.03)
a) Considered in Consolidation (₹ in crores)	(0.01)	9.79	1.84	0.34	0.00	(0.92)
b) Not Considered in Consolidation (₹ in crores)	(0.02)	198.93	8.48	144.75	13.57	(1.11)

Note: There is significant influence, because of shareholding/common directors.

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Annexure - 2

Form MR-3

Secretarial Audit Report for the financial year ended 31st March 2018

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

To the Members of,
The Ramco Cements Limited,
[CIN: L26941TN1957PLC003566]
Ramamandiram, Rajapalayam,
Virudhunagar District – 626 117

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by THE RAMCO CEMENTS LIMITED (hereinafter called "the Company") during the financial year from 1st April 2017 to 31st March 2018 ("the year"/ "audit period"/ "period under review").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) Our verification of the books, papers, minute books and other records maintained by the Company and furnished to us, forms/ returns filed and compliance related action taken by the Company during the year as well as after 31st March 2018 but before the issue of this audit report;

(ii) Our observations during our visits to the Corporate office and one of the factories of the Company;

(iii) Compliance certificates confirming compliance with all laws applicable to the Company given by the key managerial personnel / senior managerial personnel of the Company and taken on record by the Audit Committee/ Board of Directors; and

(iv) Representations made, documents shown and information provided by the Company, its officers, agents and authorised representatives during our conduct of the Secretarial Audit.

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March 2018 the Company has, to the extent, in the manner and subject to the reporting made hereinafter:

(i) Complied with the statutory provisions listed hereunder; and

(ii) Board processes and compliance mechanism in place

The members are requested to read this report along with our letter of even date annexed to this report as Annexure – A.

1. Compliance with specific statutory provisions

We further report that:

1.1. We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year, according to the applicable provisions/ clauses of:

(i) The Companies Act, 2013 and the rules made thereunder (the Act).

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.

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

(a) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

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

(v) The following laws that are specifically applicable to the Company (Specific laws):

(a) The Mines Act, 1952 and the rules made thereunder;

(b) Mines and Minerals (Development and Regulation) Act, 1957 and the rules made thereunder; and

(c) Electricity Act, 2003

(vi) The listing agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) (Agreements).

(vii) Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards).

1.2. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2018 but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

(i) Complied with the applicable provisions/ clauses of the Acts, Rules, SEBI Regulations and Specific laws mentioned under sub-paragraphs (i), (ii), (iii), (iv)(a) to (iv)(e) and (v) of paragraph 1.1 above; and

(ii) Generally complied with the LODR and Agreements mentioned under paragraphs (iv)(f) and (vi) and the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1.(vii) above to the extent applicable to Board meetings and General meetings.

1.3. We are informed that, during/ in respect of the year, due to non-occurrence of certain events, the Company was not required to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (FEMA);

(ii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Act and dealing with the client;

(iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

2. Board processes:

We further report that:

2.1 The constitution of the Board of Directors of the Company during the year was in compliance with the applicable provisions of the Act and LODR.

2.2 As on 31st March 2018, the Board has:

(i) One Executive Director; and

(ii) Five Non-Executive Independent Directors including a Woman Independent director.

2.3 The disqualification of Mr. Radheyshyam Agarwal (DIN 00012594), an independent director, under Section 164(2)(a) of the Companies Act, 2013 from being appointed as a director for five years from 1st November 2016 to 31st October 2021, was set aside by the Delhi High Court vide an order dated 11th January 2018, subject to any further order that may be passed by the Registrar of Companies, Delhi on consideration of his representation. He has continued to act as a director of the Company without any break in tenure and has also furnished a declaration dated 1st April 2018 confirming that he was not disqualified for appointment/ re-appointment as a director under section 164(2) of the Act

2.4 The processes relating to the following changes in the composition of the Board of Directors during the year were carried out in compliance with the provisions of the Act and LODR:

(i) Cessation of one Executive Director due to death;

(ii) Change in designation of a Non-Executive Director as Managing Director for five years with effect from 4th June 2017, which was approved by the members at the 59th Annual General Meeting held on 4th August 2017;

(iii) Re-appointment of the retiring director at the 59th Annual General Meeting held on 4th August 2017; and

(iv) Appointment of one Non-Executive Independent Director as Additional Director by the Board of Directors by circulation with effect from 30th August 2017.

2.5 Adequate notice was given to all the directors to enable them to plan their schedule for the Board meetings, except for two meetings which were convened at a shorter notice to transact urgent business.

2.6 Notice of Board meetings were sent to the directors at least seven days in advance except for the two meetings convened at a shorter notice, at which meetings at least one independent director was present as required under Section 173(3) of the Act and SS-1.

2.7 Agenda and detailed notes on agenda were sent to the directors at least seven days before the Board meetings, other than for the two meetings convened at a shorter notice.

2.8 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for so circulating them was duly obtained as required under SS-1:

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement/ results, unaudited financial results and connected papers; and

(ii) Additional subjects/ information/ presentations and supplementary notes.

2.9 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.10 We are informed that, at the Board meetings held during the year:

(i) Majority decisions were carried through; and

(ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.

3 Compliance mechanism

We further report that there are reasonably adequate systems and processes in the Company, commensurate with the Company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4 Specific events/ actions

During the year, the following specific events/ actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:

(i) The Company has bought back 25,00,000 equity shares of ₹ 1/- through open market operations from 1st April 2017 to 16th August 2017 for ₹ 167.70 Crores, at an average price of ₹ 670.80 per share. Consequently, the Company's paid up equity share capital has reduced from ₹ 23,80,76,780/- to ₹ 23,55,76,780/- and the number of equity shares in the paid-up capital stands reduced from 23,80,76,780 to 23,55,76,780 of ₹ 1/- each; and

(ii) The Company has redeemed secured non-convertible debentures aggregating to ₹ 200 crores.

For S Krishnamurthy & Co.,
Company Secretaries,

K. Sriram,
Partner.
Membership No: F6312
Certificate of Practice No: 2215

Date : 23rd May 2018
Place : Chennai

Annexure – A to Secretarial Audit Report of even date

To,
The Members,
The Ramco Cements Limited,
[CIN: L26941TN1957PLC003566]
"Ramamandiram", Rajapalayam,
Virudhunagar District – 626 117

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2018 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2018 but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal/ professional opinion / certification obtained as being in compliance with law.
5. We have not considered any director as being disqualified under Section 164(2)(a) of the Act, where a High Court has granted stay or set aside the disqualification.
6. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
8. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
9. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S Krishnamurthy & Co.,
Company Secretaries,

K. Sriram,
Partner.
Membership No: F6312
Certificate of Practice No: 2215

Date : 23rd May 2018
Place : Chennai

Annexure - 3

Form MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2018

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

I. REGISTRATION AND OTHER DETAILS

i	CIN	L26941TN1957PLC003566
ii	Registration Date	03-07-1957
iii	Name of the Company	THE RAMCO CEMENTS LIMITED
iv	Category/Sub-Category of the Company	Public Limited Company
v	Address of the Registered Office and contact details	"RAMAMANDIRAM", RAJAPALAYAM – 626 117.
vi	Whether listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Share transfer is being carried out in-house at, "Auras Corporate Centre", 5th Floor, 98-A, Dr.Radhakrishnan Road, Mylapore,Chennai – 600 004, Tamil Nadu. Tel.: 044-2847 8666

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the total turnover of the company:

No	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	Cement	23942	95.97

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Ramco Windfarms Limited	U40109TN2013PLC093905	Subsidiary	71.50	2(87)(ii)
2	Madurai Trans Carrier Limited	U62100TN2013PLC094059	Associate	29.86	2(6)
3	Ramco Industries Limited	L26943TN1965PLC005297	Associate	15.43	2(6)
4	Ramco Systems Limited	L72300TN1997PLC037550	Associate	17.74	2(6)
5	Rajapalayam Mills Limited	L17111TN1936PLC002298	Associate	0.35	2(6)
6	Sri Vishnu Shankar Mill Limited	U17301TN1981PLC008677	Associate	0.14	2(6)
7	Lynks Logistics Limited	U60200TN2015PLC103367	Associate	48.78	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	7998340	0	7998340	3.36	7998340	0	7998340	3.40	0.04
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	92707220	0	92707220	38.94	92707220	0	92707220	39.35	0.41
e) Banks / FI	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	100705560	0	100705560	42.3	100705560	0	100705560	42.75	0.45
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = A(1) + A(2)	100705560	0	100705560	42.30	100705560	0	100705560	42.75	0.45
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	38840462	3000	38843462	16.32	42344536	1000	42345536	17.98	1.66
b) Banks / FI	504124	13000	517124	0.22	432662	13000	445662	0.19	-0.03
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	8000000	8000000	3.36	0	8000000	8000000	3.40	0.04
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	5596670	0	5596670	2.35	4601968	0	4601968	1.95	-0.40
g) FIIs	2194883	2000	2196883	0.92	535000	0	535000	0.23	-0.70

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	47136139	8018000	55154139	23.17	47914166	8014000	55928166	23.74	0.57
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian *	15603468	116600	15720068	6.60	15148509	105600	15254109	6.48	-0.12
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	22331451	3883917	26215368	11.01	21826366	2720237	24546603	10.42	-0.59
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5188934	1408000	6596934	2.78	4304629	1408000	5712629	2.42	-0.35
c) Others									
NRI	845401	17000	862401	0.36	888696	1000	889696	0.38	0.02
FPI	32365576	0	32365576	13.59	30911041	0	30911041	13.12	-0.47
IEPF	0	0	0	0	1069665	0	1069665	0.45	0.45
Trusts	213424	0	213424	0.09	1976	2400	4376	0	-0.09
Clearing Members	243310	0	243310	0.10	554935	0	554935	0.24	0.13
Sub-total (B)(2)	76791564	5425517	82217081	34.53	74705817	4237237	78943054	33.51	-1.02
Total Public Shareholding (B) = (B)(1) + (B)(2)	123927703	13443517	137371220	57.70	122619983	12251237	134871220	57.25	-0.45
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	224633263	13443517	238076780	100.00	223325543	12251237	235576780	100.00	0

* Note: Includes shares in Unclaimed Shares Suspense Account. Opening - 3,25,600; Closing - 19,800

ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Ramco Industries Limited	49312420	20.71		49312420	20.93		0.22
2	Rajapalayam Mills Limited	32905000	13.82		32905000	13.97		0.15
3	Sri Vishnu Shankar Mill Limited	3883200	1.63		3883200	1.65		0.02
4	The Ramaraju Surgical Cotton Mills Ltd.	3624000	1.52	1.52	3624000	1.54	1.52	0.02

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
5	Sudharsanam Investments Limited	2982600	1.25		2982600	1.26		0.01
6	Sri.P.R.Ramasubrahmaneya Rajha (HUF)	2030000	0.85		0	0		-0.85
7	Sri.P.R.Ramasubrahmaneya Rajha	1755840	0.74		0	0		-0.74
8	Smt.Saradha Deepa	1000000	0.42		1946460	0.83	0.56	0.41
9	Sri.P.R. Venketrama Raja	1000000	0.42	0.39	1946460	0.83	0.28	0.41
10	Smt.Nalina Ramalakshmi	1000000	0.42		1946460	0.83		0.41
11	Ramachandra Raja Chittammal	736000	0.32		736000	0.31		-0.01
12	Smt.R Sudarsanam	340500	0.14		1286960	0.54		0.40
13	Sri.S.R.Srirama Raja	120000	0.05		120000	0.05		0
14	Sri.N.R.K.Ramkumar Raja	16000	0.01		16000	0.01		0
Total		100705560	42.30	1.91	100705560	42.75	2.36	0.45

iii) Change in Promoters' Shareholding

Sl No	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
	No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	100705560	42.30					
2	100705560	42.75			Ref. Notes	100705560	42.75

Notes for Table (ii) & (iii):

a. The change in the aggregate Percentage of shareholding of Promoters during the year is due to buy-back of 25 lakh shares by the Company from the Market.

b. Changes for Sl. No. 6, 7, 8, 9, 10 and 12 of Table (ii) are due to transmission of shares consequent to the demise of Sri.P.R.Ramasubrahmaneya Rajha

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

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company			No. of Shares	% of total shares of the Company
1	The Governor, Government of Tamil Nadu	8000000	3.40	01-04-2017			
		8000000	3.40	31-03-2018			
2	Kotak Select Focus Fund	3900000	1.66	01-04-2017			
				07-04-2017	25000	3925000	1.67
				21-04-2017	25000	3950000	1.68

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company			No. of Shares	% of total shares of the Company
				07-07-2017	50000	4000000	1.70
				11-08-2017	50000	4050000	1.72
				25-08-2017	150000	4200000	1.78
				01-09-2017	5615	4205615	1.79
				30-09-2017	44385	4250000	1.80
				06-10-2017	150000	4400000	1.87
				27-10-2017	80000	4480000	1.90
				08-12-2017	150000	4630000	1.97
				09-02-2018	-63200	4566800	1.94
				16-02-2018	-25600	4541200	1.93
				23-02-2018	66400	4607600	1.96
				02-03-2018	22400	4630000	1.97
		4630000	1.97	31-03-2018			
3	Shamyak Investment Private Limited (Formerly known as Amrit Petroleums Pvt Ltd)	3549500	1.51	01-04-2017			
				16-03-2018	-250000	3299500	1.40
		3299500	1.40	31-03-2018			
4	The New India Assurance Company Limited	3330589	1.41	01-04-2017		3330589	1.41
				14-07-2017	33297	3363886	1.43
				21-07-2017	66703	3430589	1.46
				15-12-2017	-65721	3364868	1.43
				22-12-2017	-98495	3266373	1.39
				30-12-2017	-35784	3230589	1.37
				05-01-2018	-30577	3200012	1.36
				12-01-2018	-80907	3119105	1.32
				19-01-2018	-84057	3035048	1.29
				26-01-2018	-50839	2984209	1.27
				02-02-2018	-20089	2964120	1.26
		2964120	1.26	31-03-2018			
5	SBI Blue Chip Fund	2902056	1.23	01-04-2017			
		2902056	1.23	31-03-2018			
6	Aberdeen Emerging Markets Smaller Companies Fund A Series of the Aberdeen Institutional Commingled F	2834763	1.20	01-04-2017			
				28-04-2017	-292000	2542763	1.08
				05-05-2017	-13557	2529206	1.07
				12-05-2017	-52443	2476763	1.05
				02-06-2017	-55712	2421051	1.03
				09-06-2017	-37288	2383763	1.01
				10-11-2017	-189702	2194061	0.93
				17-11-2017	-13298	2180763	0.93
		2180763	0.93	31-03-2018			

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company			No. of Shares	% of total shares of the Company
7	Abu Dhabi Investment Authority – Behave	2833279	1.20	01-04-2017			
				14-04-2017	-224446	2608833	1.11
				21-04-2017	-714834	1893999	0.80
		1893999	0.80	31-03-2018			
8	Aberdeen Global-Emerging Markets Smaller Companies Fund	2817213	1.20	01-04-2017			
				19-05-2017	-7180	2810033	1.19
				26-05-2017	-56730	2753303	1.17
				02-06-2017	-16090	2737213	1.16
				28-07-2017	-110000	2627213	1.12
				10-11-2017	-56710	2570503	1.09
				17-11-2017	-103290	2467213	1.05
				15-12-2017	-65767	2401446	1.02
				22-12-2017	-184000	2217446	0.94
		2217446	0.94	31-03-2018			
9	Prazim Trading and Investment Co. Pvt. Ltd.	2700000	1.15	01-04-2017			
				24-11-2017	-500000	2200000	0.93
				23-03-2018	-110458	2089542	0.89
		1710595	0.73	31-03-2018	-378947	1710595	0.73
10	Reliance Capital Trustee Co. Ltd. – A/C Reliance Tax Saver (ELSS) Fund	2610000	1.11	01-04-2017			
				16-06-2017	-291291	2318709	0.98
				23-06-2017	-68709	2250000	0.96
				30-06-2017	-180000	2070000	0.88
				25-08-2017	-359308	1710692	0.73
				01-09-2017	-360692	1350000	0.57
				08-09-2017	-360000	990000	0.42
				15-09-2017	-450000	540000	0.23
				22-09-2017	-125125	414875	0.18
				30-09-2017	-226137	188738	0.08
				06-10-2017	-188738	0	0.00
		0	0	31-03-2018			

Notes:

* The top 10 shareholders are based on the shareholding as on 01-04-2017 and the information relating to increase / decrease in their shareholding is provided based on the weekly Beneficiary Position received from Depositories.
* Reason for decrease / increase in shareholding - “Transfers”
* % of total shares of the company has been calculated, based on the paid-up share capital as on 31-03-2018, viz. 23,55,76,780 shares of ₹ 1/- each.

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Sri.P.R.Ramasubrahmaneya Rajha	3785840	1.59		-3785840	Transmission	0	0
		NIL	NIL					
2	Sri.P.R.Venketrama Raja	1000000	0.42		946460	Transmission	1946460	0.83
		1946460	0.83					
3	Sri.R.S.Agarwal	265		11-08-2017	-95	Sale	170	--
				25-08-2017	-96	Sale	74	--
				07-09-2017	-74	Sale	0	--
		NIL	NIL					
4	Sri.M.B.N.Rao	NIL	NIL	NA	NA	NA	NIL	NIL
5	Sri.M.M.Venkatachalam	NIL	NIL	NA	NA	NA	NIL	NIL
6	Smt. Justice Chitra Venkataraman (Retd.)	NIL	NIL	NA	NA	NA	NIL	NIL
7	Shri.M.F.Farooqui, IAS (Retd.)	NIL	NIL	NA	NA	NA	NIL	NIL
8	Sri.A.V.Dharmakrishnan	40000	0.01	NA	NA	NA	NIL	NIL
		40000	0.01	NA	NA	NA	40000	0.01
9	Sri.S.Vaithiyanathan	7900	--	NA	NA	NA	NIL	NIL
		7900	--	NA	NA	NA	7900	--
10	Sri.K.Selvanayagam	NIL	NIL	NA	NA	NA	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	579.51	845.30	-	1,424.81
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	5.99	3.63	-	9.62
Total (i + ii + iii)	585.50	848.93	-	1,434.43
Change in indebtedness during the financial year				
* Addition	332.28	187.03	-	519.31
* Reduction	305.58	534.01	-	839.59
Net Change	26.70	-346.98	-	-320.28
Indebtedness at the end of the financial year				
i. Principal Amount	611.79	501.37	-	1,113.16
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	0.41	0.58	-	0.99
Total (i + ii + iii)	612.20	501.95	-	1,114.15

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager: (In ₹)

Sl No	Particulars of Remuneration	Name of MD		Name of WTD	Name of Manager	Total Amount
		Sri. P.R. Ramasubrahmaneya Rajha	Sri.P.R. Venketrama Raja	--	--	--
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	99,00,000	--	--	99,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	39,600	--	--	39,600
2	Commission – as % of profit	4,61,01,085	32,76,05,361	--	--	37,37,06,446
3	Contribution towards Provident Fund	--	11,88,000	--	--	11,88,000
4	Contribution towards Superannuation Fund	--	--	--	--	--
5	Medical Reimbursement	--	--	--	--	--
6	Sitting fees	--	5,60,000	--	--	5,60,000
Total (A)		4,61,01,085	33,92,92,961	--	--	38,53,94,046
Overall ceiling as per the Act		5% of the Net profits of the company calculated as per Section 198 of the Companies Act, 2013 plus sitting fees for board/committee meetings attended during the year.				

B. Remuneration to other Directors: (In ₹)

Sl No	Particulars of Remuneration	Name of the Directors					Total Amount
		Sri.R.S. Agarwal	Sri.M.B.N. Rao	Sri.M.M. Venkatachalam	Smt. Justice Chitra Venkataraman (Retd.)	Sri.M.F.Farooqui, IAS (Retd.)	
1	Independent Directors						
	Fee for attending board/ committee meetings	5,20,000	4,40,000	5,20,000	2,40,000	1,60,000	18,80,000
	Commission	--	--	--	--	--	--
	Others	--	--	--	--	--	--
	Total (1)	5,20,000	4,40,000	5,20,000	2,40,000	1,60,000	18,80,000
2	Other Non Executive Directors						
	Fee for attending board/ committee meetings	--	--	--	--	--	--
	Commission	--	--	--	--	--	--
	Others	--	--	--	--	--	--
	Total (2)	--	--	--	--	--	--
	Total (B) = (1+2)	5,20,000	4,40,000	5,20,000	2,40,000	1,60,000	18,80,000
Overall Ceiling as per the Act		1% of the Net Profits of the Company, calculated as per Section 198 of the Companies Act, 2013.					
Total Managerial Remuneration (A+B)							38,72,74,046

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD (In ₹)

Sl No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr.A.V.Dharmakrishnan, CEO	Mr.K.Selvanayagam, Company Secretary	Mr.S.Vaithiyanathan, CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	11,89,56,132	87,40,264	1,08,93,476	13,85,89,872
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,22,301	2,86,095	6,36,761	10,45,157
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission – as % of profit	--	--	--	--
5	Others	--	--	--	--
Total		11,90,78,433	90,26,359	1,15,30,237	13,96,35,029

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishments/compounding of offences for the year ended 31st March 2018.

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

Annexure – 4

REPORT ON CORPORATE GOVERNANCE

Pursuant to Schedule V C of LODR

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Since inception, The Ramco Cements Limited is assiduously following its self-determined goals on Corporate Governance. The object of the Company is to protect and enhance the value of all the stakeholders of the Company viz., shareholders, creditors, customers and employees. It strives to achieve these objectives through high standards in dealings and following business ethics in all its activities.

The Company believes in continuous upgradation of technology to improve the quality of its production and productivity to achieve newer and better products for total customer satisfaction. The Company lays great emphasis on team building and motivation. A contended and well developed worker will give to the Company better work and therefore better profits. The Company has strong faith in innate and infinite potential of human resources.

It believes in the creative abilities of the people who work for the Company and believes in investing in their development and growth as foundation for strong and qualitative growth of the Organisation.

If there is no customer, there is no business. Customers' continued satisfaction and sensitivity to their needs are the Company's source of strength and security.

The Company also believes that as the Organisation grows, the society and the community around it should also grow.

2. BOARD OF DIRECTORS

The Board of Directors is headed by the Chairman and Managing Director, Shri.P.R.Venketrama Raja. The Board consists of eminent persons with considerable professional expertise in various fields such as Administration, Banking, Finance, Engineering, Law, etc. The Board had 6 Directors as on 31-03-2018. Except Shri.P.R.Venketrama Raja all other Directors were Non-Executive Directors. As required by the Code of Corporate Governance, not less than 50% of the Board of Directors consists of Independent Directors. There are no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No	Name of the Director, Director Identification Number (DIN) & Directorship	30-05-2017	04-06-2017	03-08-2017	02-11-2017	15-01-2018	06-02-2018	Attendance at last AGM held on 04-08-2017
1.	Shri.P.R.Venketrama Raja Chairman & Managing Director from 04-06-2017. DIN: 00331406. Directorship: P & E	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Shri.R.S.Agarwal DIN: 00012594. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Shri.M.B.N.Rao DIN: 00287260. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Yes	Leave
4.	Shri.M.M.Venkatachalam DIN: 00152619. Directorship: NE & ID	Yes	Leave	Yes	Yes	Yes	Yes	Yes
5.	Smt. Justice Chitra Venkataraman (Retd.) DIN: 07044099. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes	Leave	Leave
6.	Shri.M.F.Farooqui, IAS (Retd.) DIN: 01910054 Directorship: NE & ID (With effect from 30-08-2017)	--	--	--	Yes	Yes	Yes	--

P – Promoter; E – Executive;
NE – Non-Executive; ID – Independent Director.

Other Directorships

The Number of other Boards or Board Committees in which the Director is a Member or Chairperson as on 31-03-2018 are given below:

No	Name of the Director	Other Directorships *	Committee Positions **	
			Chairperson	Member
1.	Shri.P.R.Venketrama Raja	9	4	5
2.	Shri.R.S.Agarwal	5	1	4
3.	Shri.M.B.N.Rao	7	2	5
4.	Shri.M.M.Venkatachalam	7	1	6
5.	Smt.Justice Chitra Venkataraman (Retd.)	2	1	2
6.	Shri.M.F.Farooqui, IAS (Retd.)	1	--	1

* Public Limited Companies, other than The Ramco Cements Limited.
** Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, other than The Ramco Cements Limited.

Disclosure of relationships between directors inter-se:

None of the Directors are related to any other Director.

Details of familiarisation programme for Independent Directors:

The details of the familiarisation programme for Independent Directors are available at the Company's website, at the following link at http://www.ramcocements.in/Familiarisation.aspx

The Board of Directors periodically review Compliance Reports pertaining to all Laws applicable to the Company. No noncompliance was reported during the year under review.

The Board is also satisfied that plans are in place for orderly succession for appointment of Board of Directors and Senior Management.

A Code of Conduct has been laid out for all Members of the Board and Senior Management suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013.

The minimum information to be placed before the Board of Directors at their meeting, as specified in Part A of Schedule II of LODR have been adequately complied with.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee include:

i) To review the reports of Internal Audit Department;

ii) To review the Auditors' Report on the financial statements;

iii) To review and approve the Related Party Transactions;

iv) To review the Annual Cost Audit Report of the Cost Auditor;

v) To review the Secretarial Audit Report of the Secretarial Auditor;

vi) To review the strength and weakness of the internal controls and to provide recommendations relating thereto;

vii) To generally assist the Board to discharge their functions more effectively;

viii) To review the financial statements and any investments made by the Company / Subsidiary Company.

In addition, the Audit Committee would discharge the roles and responsibilities as prescribed by LODR and Companies Act, 2013.

Composition and Attendance of the Audit Committee:

The Composition of the Audit Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	29-05-2017	03-08-2017	01-11-2017	06-02-2018
1.	Shri.R.S.Agarwal, Chairman of the Committee	Yes	Yes	Yes	Yes
2.	Shri.P.R.Venketrama Raja	Yes	Yes	Yes	Yes
3.	Shri.M.M.Venkatachalam	Yes	Yes	Yes	Yes
4.	Shri.M.B.N.Rao	Yes	Yes	Yes	Yes

The Statutory Auditors, Chief Executive Officer, Chief Financial Officer and Head of Internal Audit Department are invitees to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

The representatives of the Cost Auditor and Secretarial Auditor are invited to attend the meeting of the Audit Committee when their reports are tabled for discussion.

3/4th of the members of the Audit Committee are Independent Directors as against the minimum requirements of 2/3rd as stipulated in Regulation 18(1)(b) of LODR.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Companies Act, 2013, LODR and functions as mandated by the Board of Directors from time to time. The Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the company.

The complete details about the terms of reference for Nomination and Remuneration Committee and Nomination and Remuneration Policy are available at Company's website.

Composition and Attendance of the Nomination and Remuneration Committee:

The Composition of the Nomination and Remuneration Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	29-05-2017	04-06-2017
1.	Shri.R.S.Agarwal, Chairman of the Committee	Yes	Yes
2.	Shri.P.R.Venketrama Raja	Yes	Yes
3.	Shri.M.M.Venkatachalam	Yes	Leave
4	Smt. Justice Chitra Venkataraman (Retd.) (With effect from 30-05-2017)	--	Yes

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings, which shall be taken into account at the time of re-appointment of Independent Director.

5. REMUNERATION TO DIRECTORS

The Non-Executive Directors are paid Sitting Fee of ₹ 40,000/- per meeting for attending the meetings of Board and Committees thereof.

There are no pecuniary relationship or transactions of Non-Executive Directors vis-a-vis the Company.

The appointment and remuneration to Managing Director is governed by the resolution passed by the shareholders at the Annual General Meeting held on 04-08-2017 and the remuneration is equivalent to 5% of the Net Profits of the Company and where in any financial year during the currency of his tenure, not being more than three such financial years over the entire tenure of five years, the Company has no profit or inadequate profit, the Managing Director shall be paid remuneration as approved by the Board and the Nomination and Remuneration Committee which shall not exceed the double of the applicable limit as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013.

The details of remuneration paid are as follows:

	(₹ in lacs)			
Name of the Director	Sitting Fee	Remuneration	Commission & Others	No. of Shares held
Shri.P.R.Venketrama Raja	5.60	99.00	3288.33	19,46,460
Shri.R.S.Agarwal	5.20	NIL	NIL	NIL
Shri.M.B.N.Rao	4.40	NIL	NIL	NIL
Shri.M.M.Venkatachalam	5.20	NIL	NIL	NIL
Smt.Justice Chitra Venkataraman (Retd.)	2.40	NIL	NIL	NIL
Shri.M.F.Farooqui, IAS (Retd.)	1.60	NIL	NIL	NIL

The complete details of remuneration paid to Directors are given in Form MGT-9, forming part of annexure to Board's Report.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition and Attendance of the Stakeholders Relationship Committee:

The Composition of the Stakeholders Relationship Committee and the details of the attendance of its Members are as follows:

No.	Name of the Director	23-03-2018
1.	Shri.M.M.Venkatachalam, Chairperson of the Committee	Yes
2.	Shri.P.R.Venketrama Raja	Yes

Name of Non-executive Director heading the Committee	Shri.M.M.Venkatachalam
Name and Designation of Compliance Officer	Shri.K.Selvanayagam, Secretary
No. of complaints received during the year	8
Number not solved to the Satisfaction of shareholders	NIL
Number of pending complaints	NIL

7. GENERAL BODY MEETINGS

a. Location and time, where last three AGMs held:

Year ended	Date	Time	Venue
31-03-2015	06-08-2015	10.15 AM	P.A. C. R. Centenary Community Hall, Sudarsan Gardens, P.A. C. Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu.
31-03-2016	04-08-2016	10.15 AM	-do-
31-03-2017	04-08-2017	10.15 AM	-do-

b. Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of the AGM	Subject Matter of the Special Resolution
04-08-2017	To appoint Shri. P.R.Venketrama Raja as Chairman & Managing Director
	To approve issue of Debentures upto a limit of ₹ 500 crores
04-08-2016	To Re-appoint Shri.P.R.Ramasubrahmaneya Rajha as the Chairman & Managing Director
06-08-2015	To approve issue of Debentures upto a limit of ₹ 500 crores

c. No Special Resolution on matters requiring postal ballot were passed during the year under review.

d. No Special Resolution is proposed to be conducted through Postal Ballot.

8. MEANS OF COMMUNICATION

The Unaudited Quarterly and Half yearly Financial results and Audited Annual Results are published in English in Business Line (All editions), The New Indian Express and Trinity Mirror (Chennai editions), Business Standard (All Editions) and in Tamil in Dinamani and Makkal Kural (Chennai editions). The results were also displayed on the Company's website www.ramcocements.in

All the financial results are provided to the Stock Exchanges. Official News releases are given directly to the Press and the Company's website also displays the official news releases.

9. GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting	On 03-08-2018 at 10.15 AM at P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu.	
b.	Financial Year	1st April 2017 to 31st March 2018	
c.	Dividend Payment date	03-08-2018 onwards.	
d.	Name and Address of Stock Exchanges where the Company's Securities are Listed	National Stock Exchange of India Limited Exchange Plaza Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. BSE Limited "P.J.Towers", Dalal Street, Mumbai – 400 001. The Annual Listing Fee for the year 2018-19 has been paid to the Stock Exchanges.	
e.	Stock Code	BSE Limited	500260
		National Stock Exchange of India Limited	RAMCOCEM
f.	Market Price Data	Enclosed as Annexure – A.	
g.	Performance in comparison to broad based indices		
h.	Whether the securities are suspended from trading	No	
i.	Registrar and Transfer Agents	Being carried out in-house by the Secretarial Department of the Company.	
j.	Share Transfer System	For shares held in electronic mode, transfers are effected under the depository system of NSDL and CDSL. For shares held in physical mode, certificates are to be submitted to the Company along with the required security transfer forms. The company effects the transfers within 15 days, if the documents are found in order and the certificates are sent to the transferees. In the case of defective documents, the same are returned with the reasons to the transferees within 15 days.	
k.	Distribution of Shareholding	Enclosed as Annexure – B.	
l.	Dematerialisation of Shares & liquidity	As on 31st March 2018, 94.80% of the shares have been dematerialized. Regarding liquidity of our Company's shares, the details are available in Annexure – A.	
m.	Outstanding GDRs/ ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	NIL	
n.	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	With respect to Buyers' Credit in foreign currencies, forward contracts are booked taking into account, the cost of hedging and the foreign currency receivables. The currency rate movements are monitored closely for taking covers with respect to unhedged portions, if any.	

o. Plant Locations

Integrated Cement Plants

i. Ramasamy Raja Nagar – 626 204, Virudhunagar District, Tamil Nadu.

ii. Alathiyur, Cement Nagar – 621 730, Ariyalur District, Tamil Nadu

iii. Govindapuram Village – 621 713, Ariyalur District, Tamil Nadu

iv. Jayanthipuram, Kumarasamy Raja Nagar–521 457, Krishna District, Andhra Pradesh.

v. Mathodu – 577 533, Hosadurga, Chitradurga District, Karnataka.

Grinding Units

i. Kattuputhur Village, Uthiramerur, Kancheepuram District–603 107, Tamil Nadu.

ii. Singhipuram Village, Valapady , Salem District – 636 115, Tamil Nadu.

iii. Kolaghat – 721 134, Purba Medinipur District, West Bengal.

iv. Gobburupalam, A.S.Peta Post–531 055, Kasimkota Mandal, Vizag, Andhra Pradesh.

v. Kharagpur – 721 304, Paschim Medinipur, West Bengal.

Packing Plant

Kumarapuram, Aralvaimozhi–629 301, Kanyakumari District, Tamil Nadu.

Readymix Concrete Plant

Medavakkam-Mambakkam Road, Vengaivasal, Chennai – 600100, Tamil Nadu.

Dry Mortar Plant

F-14, SIPCOT Industrial Park, Sriperumbudur – 602 106, Tamil Nadu.

Ramco Research & Development Centre

11-A, Okkiyam, Thuraipakkam, Chennai – 600 096, Tamil Nadu.

Wind Farm Division

i. Thandayarkulam, Veeranam, Muthunaickenpatti, Pushpathur and Udumalpet in Tamil Nadu.

ii. Vani Vilas Sagar and GIM II Hills in Karnataka.

p. Address for Correspondence
K.Selvanayagam, Secretary (Compliance Officer)
The Ramco Cements Limited
Auras Corporate Centre, V Floor
98-A, Dr.Radhakrishnan Road
Mylapore, Chennai – 600 004, Tamil Nadu
Phone: 28478666 Fax: 28478676
E Mail : ksn@ramcocements.co.in

10. OTHER DISCLOSURES

a. There are no materially significant related party transactions made by the Company that may have potential conflict with the interests of the Company at large.

b. There are no instances of non-compliance by the Company, and no penalties or strictures were imposed on the company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

c. The Company has a Whistle Blower Policy, available at the Company's website and it is affirmed that no personnel has been denied access to the Audit Committee.

d. The Company has complied with the mandatory requirements. The status of adoption of the non-mandatory requirements is given below:

i. The Company's financial statements are with unmodified audit opinion for the year 2017-18.

e. The Material Subsidiary Policy is disclosed in the Company's website and its weblink is –

http://www.ramcocements.in/pdffiles/policies/MATERIAL%20SUBSIDIARY%20POLICY.pdf

f. The Related Party Transaction Policy is disclosed in the Company's website and its weblink is –

http://www.ramcocements.in/pdffiles/policies/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf

g. The details relating to commodity price risks and commodity hedging activities are not applicable.

11. The Company has complied with the requirements of Corporate Governance Report of sub-paras (2) to (10) of Schedule V of LODR.

12. The extent to which the discretionary requirements specified in Part E of Schedule II have been adopted, is given against Clause 10(d) above.

13. The Company has no material subsidiary.

14. The Minutes of the Meeting of the Board of Directors of the unlisted subsidiary are being placed before the Board of Directors of the Company.

15. The Management of the unlisted subsidiary periodically brings to the notice of the Board, a statement on significant transactions and arrangements entered into by them.

16. Senior Management Personnel discloses to the Board of Directors all material, financial and commercial transactions where they have personal interest that may have a potential conflict with the Company's interest, if any.

17. The Company submits quarterly compliance report on Corporate Governance to the Stock Exchanges, in the prescribed format within 15 days from the close of the quarter duly signed by the Compliance Officer.

18. As required under Regulation 46(2) of LODR, the following information have been duly disseminated in the Company's website.
    * Terms and conditions of appointment of Independent Directors
    * Composition of various committees of Board of Directors
    * Code of Conduct of Board of Directors and Senior Management Personnel
    * Details of establishment of Vigil Mechanism/Whistle Blower Policy
    * Policy on dealing with Related Party Transactions
    * Policy for determining 'Material Subsidiaries'
    * Details of familiarization Programmes imparted to Independent Directors
19. The various disclosures made in the Board's Report, may be considered as disclosures made under this report.
20. The Company has also the following Committee of Board of Directors.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition and Attendance of the Corporate Social Responsibility Committee:

The Composition of the Corporate Social Responsibility Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	30-05-2017
1	Shri.M.M.Venkatachalam Chairperson of the Committee	Yes
2	Shri.P.R.Venketrama Raja	Yes
3	Smt.Justice Chitra Venkataraman (Retd.) (With effect from 30-05-2017)	--

21. CREDIT RATING

ICRA and CRISIL, the Company's credit rating agencies, have rated the Company's borrowing programmes as follows:

RATINGS BY ICRA

Security	Limit / Outstanding as on 31-03-2018	Amount – ₹ in crores	Rating
Commercial Papers	Limit	825	A1+
Fund Based Facilities			
* Cash Credit	Limit	700	AA+(Stable)
* Short Term Loan / Buyers' Credit and Other Facilities	Limit	250	A1+
Non-Fund Based Facilities	Limit	435	A1+
Long Term Loans from Bank	Outstanding	90	AA+(Stable)

RATINGS BY CRISIL

Security	Limit as on 31-03-2018	Amount – ₹ in crores	Rating
Commercial Papers	Limit	825	A1+

22. DISCLOSURES WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

[Pursuant to Schedule V(F) of LODR

No	Details	No. of Shareholders	No. of Shares of ₹ 1/- each
(a)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	71	325600
(b)	number of shareholders who approached the Company for transfer of shares from suspense account during the year;	1	400
(c)	(I) number of shareholders to whom shares were transferred from suspense account during the year;	1	400
	(il) Shares Transferred to IEPF	63	305400
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	7	19800
(e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

23. Declaration signed by the Chief Executive Officer of the Company as per Schedule V(D) of LODR, on compliance with the Code of Conduct is annexed.
24. Compliance Certificate as per Regulation 17(8) read with Part B of Schedule II of LODR, provided by Chief Executive Officer and Chief Financial Officer is annexed.

DECLARATION

As provided under Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March 2018.

for THE RAMCO CEMENTS LIMITED,
A.V.DHARMAKRISHNAN
Chief Executive Officer

Chennai
23-05-2018

To

The Board of Directors
The Ramco Cements Limited
Rajapalayam.

Certification under Regulation 17(8) of SEBI (LODR) Regulations

We hereby certify that –

A. We have reviewed financial statements and the cash flow statement for the year 2017-18 and that to the best of our knowledge and belief :

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee that –

   1. there are no significant changes in internal control over financial reporting during the year;
   2. there are no significant changes in Accounting Policies, during the year;
   3. there are no instances of significant fraud of which we have become aware.

S.VAITHIYANATHAN
Chief Financial Officer

A.V.DHARMAKRISHNAN
Chief Executive Officer

Chennai
23-05-2018

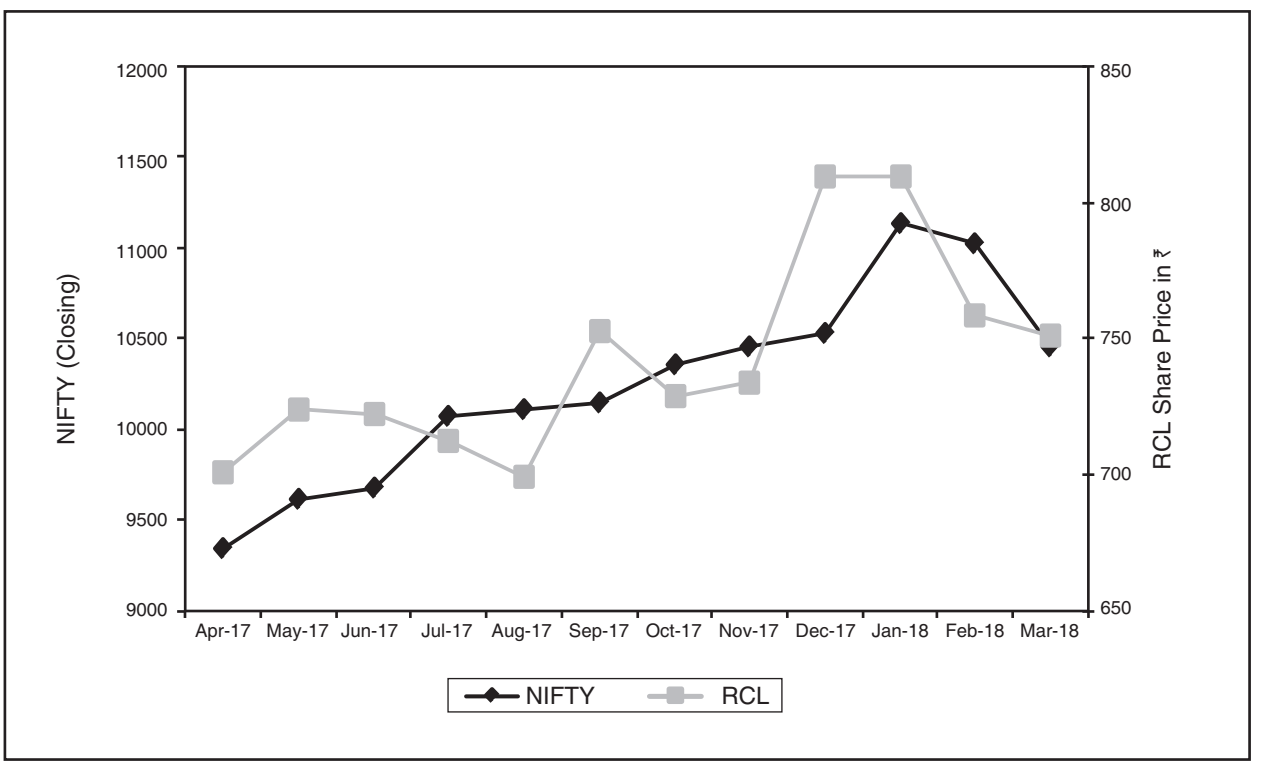
Annexure – A

STATISTICAL DATA

Share Price High & Low/Volume (from April 2017 to March 2018 in NSE & BSE)

Month	NSE			BSE		
	High ₹	Low ₹	No. of Shares Traded	High ₹	Low ₹	No. of Shares Traded
April 2017	705	660	44,08,394	704	651	4,10,650
May	744	664	43,93,045	750	665	3,24,599
June	750	666	51,17,002	749	667	7,57,240
July	770	655	44,58,833	725	657	3,33,773
August	715	648	47,23,682	715	649	3,99,262
September	765	673	61,67,270	765	670	11,72,234
October	741	675	45,10,200	738	675	2,86,293
November	745	680	51,38,997	745	680	4,51,399
December	831	673	1,02,73,533	840	674	4,36,795
January 2018	825	750	41,85,479	824	748	3,05,963
February	769	683	52,97,616	769	685	3,52,551
March	765	718	68,11,540	762	711	4,18,453
Year 2017-18	**831**	**648**	**6,54,85,591**	**840**	**649**	**56,49,212**

RCL Share Price Movement (Apr 2017 To Mar 2018)



Annexure – B

Pattern of Shareholding as on 31-03-2018

Description	Total Shareholders	%	Total Shares	%
Promoters Holding				
1) Promoters	12	0.04	10,07,05,560	42.75
Sub-Total	12	0.04	10,07,05,560	42.75
Non-Promoters Holding				
1) Residents	30,103	94.16	3,02,59,232	12.84
2) Non-Resident Indians	1149	3.59	8,89,696	0.38
3) Indian Companies	489	1.53	1,52,54,109	6.48
4) Foreign Institutional Investors	1	0.00	5,35,000	0.23
5) Mutual Funds	26	0.08	4,23,45,536	17.98
6) Banks / Financial Institutions	4	0.01	19,470	0.01
7) Government	1	0.00	80,00,000	3.40
8) Insurance Companies	4	0.01	50,28,160	2.13
9) FPI	138	0.43	3,09,11,041	13.12
10) Trusts	2	0.01	4,376	0.00
11) Clearing Member	40	0.13	5,54,935	0.24
12) IEPF	1	0.00	10,69,665	0.45
Sub-Total	31,958	99.96	13,48,71,220	57.25
Total	**31,970**	**100.00**	**23,55,76,780**	**100.00**

Distribution of Shareholding as on 31-03-2018

Description	Total Shareholders	%	Total Shares	%
a) Upto - 500	26,539	83.01	28,49,362	1.21
b) 501 to 1000	1,957	6.12	15,52,886	0.66
c) 1001 to 2000	1,239	3.87	19,83,472	0.84
d) 2001 to 3000	408	1.28	10,56,413	0.45
e) 3001 to 4000	461	1.44	17,49,720	0.74
f) 4001 to 5000	178	0.56	8,34,002	0.35
g) 5001 to 10000	531	1.66	40,04,850	1.70
h) 10001 & above	657	2.06	22,15,46,075	94.05
Total	**31,970**	**100.00**	**23,55,76,780**	**100.00**

Category of Shareholding as on 31-03-2018

Description	Total Shareholders	%	Total Shares	%
Dematerialised Form - CDSL & NSDL	31,472	98.44	22,33,25,543	94.80
Physical Form	498	1.56	1,22,51,237	5.20
Total	**31,970**	**100.00**	**23,55,76,780**	**100.00**

Annexure - 5

Certificate regarding compliance of conditions of corporate governance

[Pursuant to paragraph E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of
The Ramco Cements Limited,
[CIN: L26941TN1957PLC003566]
"Ramamandiram", Virudhunagar District,
Rajapalayam - 626117

We have examined the compliance of the conditions of Corporate Governance by The Ramco Cements Limited ("the Company") during the financial year ended 31st March 2018, as stipulated under the following Regulations/ Schedule of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"):

(a) Regulation numbers 17 to 27 dealing with composition of the Board and Committees, related party transactions, vigil mechanism and certain other matters;

(b) Regulation numbers 46(2)(b) to 46(2)(i) dealing with the information to be disseminated on the Company's web-site;

(c) Part A of Schedule II dealing with the minimum information to be placed before the Board of Directors;

(d) Part B of Schedule II dealing with the Compliance Certificates furnished by the Chief Executive Officer and Chief Financial Officer;

(e) Part C of Schedule II dealing with the, role of the Audit Committee and review of information by the committee;

(f) Part D of Schedule II dealing with the role of the Nomination and Remuneration Committee and Stakeholders' Relationship Committee;

(g) Paragraph C of Schedule V dealing with disclosures in the Corporate Governance Report;

(h) Paragraph D of Schedule V dealing with declaration signed by the Chief Executive Officer affirming compliance with the code of conduct by the Board of Directors and Senior Management Personnel; and

(i) Paragraph E of Schedule V dealing with compliance certificate on conditions of corporate governance issued by the Auditors or Practising Company Secretaries.

The Company is required to comply with the said conditions of Corporate Governance on account of:

(a) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for listing its equity shares; and

(b) The Listing Agreement entered into with BSE Limited for listing its Secured Non-Convertible Debentures.

The Company's management is responsible for compliance with the conditions of Corporate Governance. We have broadly reviewed the procedures adopted by the Company for ensuring compliance with the conditions of Corporate Governance and implementation thereof. Our review was neither an audit nor an expression of opinion on the financial statement of the Company.

The disqualification of Mr. Radheyshyam Agarwal (DIN 00012594), an independent director, under Section 164(2)(a) of the Companies Act, 2013 from being appointed as a director for five years from 1st November 2016 to 31st October 2021, was set aside by the Delhi High Court vide an order dated 11th January 2018, subject to any further order that may be passed by the Registrar of Companies, Delhi on consideration of his representation. He has continued to act as a director of the Company without any break in tenure and has also furnished a declaration dated 1st April 2018 confirming that he was not disqualified for appointment/ re-appointment as a director under section 164(2) of the Act.

We hereby certify that, in our opinion and to the best of our information and based on the records furnished for our verification and the explanations given to us by the Company, its officers and agents, the Company has, during the year ended 31st March 2018, complied with the applicable conditions of Corporate Governance.

We further wish to state that our opinion regarding such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company during the said financial year.

For S Krishnamurthy & Co.,
Company Secretaries,

K. Sriram,
Partner.
Membership No: F6312
Certificate of Practice No: 2215

Date : 23rd May 2018
Place : Chennai

Annexure - 6

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR Policy

   The objective of the CSR Policy is

   a. To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.

   b. To directly or indirectly take up programmes that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well being of the local populace.

   c. To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

   Weblink to the CSR Policy:
   http://www.ramcocements.in/pdffiles/policies/CSR%20POLICY%20OF%20TRCL.pdf

2. The Composition of the CSR Committee:

   1. Shri.M.M.Venkatachalam, Chairperson of the Committee
   2. Shri.P.R.Venketrama Raja, Member
   3. Smt. Justice Chitra Venkataraman (Retd.), Member

3. Average net profit of the Company for last three financial years – ₹ 627.89 crores

4. Prescribed CSR Expenditure – ₹ 12.56 crores (2% of the amount as in item 3 above)

5. Details of CSR spent during the financial year

   a. Total amount spent for the financial year – ₹ 10.93 crores

   b. Amount unspent, if any – ₹ 1.63 crores

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

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise – ₹ in crores	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure (2) Overheads: - (Direct Expenditure) ₹ in crores	Cumulative expenditure up to the reporting period – ₹ in crores.	Amount spent Direct or through implementing agency ₹ in crores
1	Eradicating Hunger, Poverty and Malnutrition, promoting health care including preventive health care and Sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available Safe Drinking Water. [Clause (i)]	Health Care	In & around Factory areas and Corporate Office, Chennai	2.42	2.42	2.42	Direct 0.36 Indirect 2.06
2	Promoting Education, including Special Education and Employment Enhancing Vocation Skills especially among Children, Women, Elderly, and the Differently abled and Livelihood Enhancement Projects. [Clause (ii)]	Education	In & around Factory areas and Corporate Office, Chennai	5.12	5.12	5.12	Direct 4.80 Indirect 0.32
3	Promoting Gender Equality, Empowering Women, setting up Homes and Hostels for Women and Orphans, setting up Old Age Homes, Day Care Centres and such other facilities for Senior Citizens and measures for reducing inequalities faced by socially and economically backward group. [Clause (iii)]	Women Empowerment	In & around Factory areas and Corporate Office, Chennai	0.07	0.07	0.07	Direct 0.07 Indirect –

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise – ₹ in crores	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure (2) Overheads: - (Direct Expenditure) ₹ in crores	Cumulative expenditure up to the reporting period – ₹ in crores.	Amount spent Direct or through implementing agency ₹ in crores
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga [Clause (iv)]	Conservation of Environment	In & around Factory areas and Corporate Office, Chennai	0.03	0.03	0.03	Direct 0.03 Indirect –
5	Protection of National Heritage, Art and Culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts. [Clause (v)]	Protection of Heritage	In & around Factory areas and Corporate Office, Chennai	0.87	0.87	0.87	Direct 0.39 Indirect 0.48
6	Measures for the benefit of Armed Forces Veterans, War Widows and their dependents. [Clause (vi)]	Benefit of Armed Forces	In & around Factory areas and Corporate Office, Chennai	0.01	0.01	0.01	Direct 0.002 Indirect 0.008
7	Training to promote Rural Sports, Nationally recognised sports, Paralympic Sports and Olympic Sports [Clause (vii)]	Promotion of Sports	In & around Factory areas and Corporate Office, Chennai	0.71	0.71	0.71	Direct 0.61 Indirect 0.10
8	Rural Development Projects [Clause (x)]	Rural Development	In & around Factory areas and Corporate Office, Chennai	1.70	1.70	1.70	Direct 1.35 Indirect 0.35
Total				10.93	10.93	10.93	10.93

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

Chennai
23-05-2018

M.M.VENKATACHALAM
Director & Chairman of the CSR Committee

A.V.DHARMAKRISHNAN
Chief Executive Officer

Annexure - 7

Form AOC-2

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014]

Particulars of Contracts/Arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

(a)	Name(s) of the related party and nature of relationship	Rajapalayam Rotary Trust PACR Sethuramammal Charities PAC Ramasamy Raja Education Charity Trust Raja Charity Trust PACR Sethuramammal Charity Trust Shri.P.R.Venketrama Raja, Chairman & Managing Director is Managing Trustee / Trustee in the above Trusts.
(b)	Nature of Contracts/arrangements/transactions	Sale of Cement
(c)	Duration of the contracts/arrangements/transactions	36 months, from 01-04-2016 to 31-03-2019
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Supply of cement @ ₹ 200/- per bag.
(e)	Justification for entering into such contracts or arrangements or transactions	The above trusts are Public Charitable Trusts and the cement is sold not for trading. The cement is sold to these trusts @ ₹ 200/- per bag as against ₹ 185/- per bag the price at which cement is being sold to Government of Tamil Nadu, under "Amma Cement Supply Scheme".
(f)	Date(s) of approval by the Board / Audit Committee	20-05-2016 / 06-02-2018
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the Special Resolution was passed in general meeting as required under first proviso to Section 188	Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis - NIL

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

Annexure - 8

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

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

(A) Conservation of energy

The Company pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and improvements.

(i) the steps taken or impact on conservation of energy;

Installation of Variable frequency drive (VFD) for process fans to reduce electrical energy.

Installation of High efficiency process fans to reduce electrical energy.

Installation of LED lights replacing high wattage HPSV (High Pressure Sodium Vapor) lights.

Optimisation of compressor operation and installation of zero energy loss drain valves for receiver tank.

(ii) the steps taken by the company for utilising alternate sources of energy;

Replacing Diesel with waste tyre oil for Kilns during start up

Part replacement of fuel in Kiln by usage of power plant ash as an alternative fuel. .

(iii) the capital investment on energy conservation equipments - ₹ 7.04 crores.

(B) Technology absorption

(i) the efforts made towards technology absorption;

Installation of High efficiency, low NOx burner for firing fuel in Kiln.

Installation of High efficiency IE3 type motors for driving equipments.

Installation of Energy Dispersive X-Ray Fluorescence for determining the chemical analysis of raw materials, clinker and cement.

Installation of Three Phase transformer replacing Single Phase transformer for Electrostatic Precipitators (ESP).

(ii) the benefits derived;

Savings in thermal energy resulting in reduced fuel consumption.

Reduction of NOx emission resulting in reduced environmental impact.

Increase in efficiency of Motors resulting in power saving.

Increase in analysing frequency and close monitoring of quality of materials at different stages of manufacturing.

Increase in particle collection efficiency resulting in reduced particulate emissions.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Commissioning of Xcentric Ripper imported from Spain resulting in environment friendly mining, compared to conventional methods of drilling and blasting. (Year of Import :2016)

Import of High efficiency, low NOx burner from M/s. FIVES Pillard, France for better fuel combustion, reduced fuel consumption and reduced NOx levels. (Year of Import : 2017)

Import of X-Ray Fluorescence (XRF) manufactured by M/s.Rigaku, USA, for determining chemical analysis of raw materials, clinker and cement. (Year of Import : 2016)

Import of Particle size analyser manufactured by M/s.CILAS, France for determining the particle size distribution of cement and ground raw materials. (Year of Import : 2016)

Import of Energy dispersive X-Ray Fluorescence (XRF) manufactured by M/s.SPECTRO-XEPOS, Germany for determining the chemical analysis of Raw Materials, Clinker and Cement (Year of Import : 2017)

The technologies have been fully absorbed.

(iv) the expenditure incurred on Research and Development.

Particulars	₹ in crores
Capital	2.81
Revenue	7.27
Total	10.08

(C) Foreign Exchange Earnings and Outgo

Particulars	₹ in crores
Foreign Exchange earned in terms of Actual inflows	35.09
Foreign Exchange outgo in terms of Actual Outflows	282.38

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

Annexure - 9

I. Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. & ii. The ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of Chairman & Managing Director (CMD), Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, in the Financial Year 2017-18.

Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2017-18 (₹ in crores)	% increase in remuneration in the Financial year 2017-18	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
Shri.P.R.Venketrama Raja	33.93	NA	636	The Profit before tax decreased by 8% and Total Comprehensive income decreased by 15% in financial year 2017-18
Shri.R.S.Agarwal	0.05	18	0.97	
Shri.M.B.N.Rao	0.04	22	0.82	
Shri.M.M.Venkatachalam	0.05	18	0.97	
Justice Smt.Chitra Venkataraman (Retd.)	0.02	20	0.45	
Shri.Farooqui, IAS (Retd.)	0.02	-	0.30	
Shri.A.V.Dharmakrishnan Chief Executive Officer	11.91	8	223	The Profit before tax decreased by 8% and Total Comprehensive income decreased by 15% in financial year 2017-18
Shri.S.Vaithiyanathan Chief Financial Officer	1.15	29	22	
Shri.K.Selvanayagam Secretary	0.90	11	17	

iii. The median remuneration of the employees during the financial year was ₹ 5,33,864/- and the percentage increase in the median remuneration was 5.05%.

iv. There were 3,034 permanent employees on the rolls of the Company, as on 31st March 2018.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2017-18 was 9.59% and the decrease in the managerial remuneration for the same financial year was 8.18%. This was because, the remuneration of CMD was linked to the profit of the Company, which had decreased by 13%. (Managing Director's Remuneration includes, remuneration paid to Shri.P.R.Ramasubrahmaneya Rajha for the period from 01-04-2017 to 11-05-2017 and Shri.P.R.Venketrama Raja for the period from 04-06-2017 to 31-03-2018)

vi. It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

II. Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Particulars of Top 10 employees in terms of remuneration drawn and particulars of employees employed during the financial year 2017-18 and was in receipt of remuneration, in the aggregate, not less than ₹ 1.02 Crores

No	Name	Designation	Remuneration ₹	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
1	Venketrama Raja P R	Chairman & Managing Director	33,92,92,961	B.Tech, MBA (33)	04-06-2017	58	--
2	Ramasubrahmaneya Rajha P R	Chairman & Managing Director	4,61,01,085	B.Sc (59)	20-03-1958	81	--

No	Name	Designation	Remuneration ₹	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
3	Dharmakrishnan A V	Chief Executive Officer	11,90,78,433	B.Com, ACA (35)	03-05-1982	61	--
4	Balaji K Moorthy	Executive President – Marketing	2,43,64,935	B.Sc, PGDC, PGDFT (42)	09-06-1997	66	Fabulac Overseas Ltd
5	Srinivasan M	President – Manufacturing	2,17,09,569	B.E. (33)	12-05-1995	56	Fuller KCP Ltd
6	Gopalakrishna P B	Sr. President – Manufacturing	1,60,39,159	B.Tech (41)	10-12-2008	63	Rain Industries Ltd
7	Ravishankar N	President – Manufacturing	1,26,60,790	B.Tech (35)	22-08-2005	58	UltraTech Cement Ltd
8	Vaithiyanathan S	Chief Financial Officer	1,15,30,237	B.Sc, ACA (28)	20-08-1990	53	Seshasayee Industries Ltd
9	Ramakrishnan R	President – Marketing	1,09,80,543	B.Com, ACA (34)	06-07-1998	60	Indian Oil Corporation Ltd
10	Raghuram Devarakonda	Chief Operating Officer	98,05,778	B.Tech, Phd. (22)	03-07-2017	50	CorEssentials

(ii) Employed for a part of the financial year 2017-18 and was in receipt of remuneration, at a rate which, in the aggregate, not less than ₹ 8.50 lakhs per month

No	Name	Designation	Remuneration ₹	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
1	Bharath G	GM-Learning & Development	49,45,590	B.Sc, M.SC, Dip in Training & Development. MBA (34)	22-11-2007	57	Hyundai Motors
2	Govindaraj P	DGM – IT	42,76,571	B.Sc, (36)	24-09-1981	60	-
3	Venkatapathi V	AGM – Electrical	37,35,888	B.Tech (29)	22-04-1991	61	Sujana Domestic Appliances
4	Raju B S P	AVP-Mines	37,00,212	B.E, First Class Mining Certificate (34)	29-12-2007	58	Myhome Industries
5	Veerabagu A	Sr.GM-Works	36,32,191	B.E (25)	15-10-2012	48	Oman Cement Company
6	Gunasekaran B	Sr.DGM-Materials	31,75,917	B.E., PG Diploma in Materials Management and Finance (34)	07-11-2011	58	Tanfac Industries Ltd
7	Ramalingam R	Sr.DGM-QC	17,76,555	B.Sc (37)	17-03-1980	60	-
8	Prabhakar V	Manager – Marketing	15,47,041	B.Sc, MBA (27)	04-10-1993	52	NCL Seccolor Ltd

NOTES:

1 All appointments are contractual.

2 None of the employees mentioned above is related to any director of the Company except Shri.P.R.Venketrama Raja, Chairman & Managing Director who is related to erstwhile Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha.

3 No employee was in receipt of remuneration in excess of that drawn by Chairman & Managing Director.

4 Remuneration includes salary, variable performance pay, allowances, contribution to Provident Fund and Superannuation Fund, taxable value of perks and leave encashment but excludes gratuity.

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
23-05-2018

SEPARATE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of The Ramco Cements Limited

Report on the Separate Financial Statements

We have audited the accompanying Separate financial statements drawn in accordance with the Indian Accounting Standards ("the Financial Statements"), of The Ramco Cements Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in Equity for the year ended on 31st March 2018 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of the Financial Statements that give a true and fair view of the financial position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Separate Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Separate Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Separate Financial Statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Separate Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Separate 'Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards, of the state of affairs (financial position) of the Company as at 31st March 2018, its Profit (financial performance including Other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on 31st March 2018.

Other Matters

The Separate Financial Statements includes financial performance of a foreign branch which reflects total assets of ₹ 9.07 Crores, total revenue of ₹ 43.01 Crores and net cash inflow amounting to ₹ 1.14 Crores for the year ended on 31st March 2018, which was audited by Independent Auditors in accordance with the regulations of that country and whose report has been furnished to us and has been considered in the Separate Financial Statements solely based on such Audited Financial Statements. Our opinion is not modified in respect of this matter.

We draw attention to Note 47.2.6 of the Disclosures forming part of the Separate Financial Statements relating to the Order of the Competition Commission of India (CCI) dated 31-08-2016, imposing a penalty of ₹ 258.63 Crores on the Company for alleged cartelisation. The CCI order is pursuant to the directions issued by the Competition Appellate Tribunal (COMPAT) vide its Order dated 11-12-2015 setting aside the original CCI order dated 20-06-2012 and remitting the matter to CCI for fresh adjudication of the issue. Upon appeal filed before the Competition Appellate Tribunal (COMPAT) the order of the CCI has been stayed on condition that the company deposits 10% of the penalty amounting to ₹ 25.86 Crores. In compliance of the order of COMPAT the company has deposited ₹ 25.86 Crores and the said deposit is classified under "Bank Balances other than Cash and Cash Equivalents". By virtue of Section 185(4) of the Finance Act 2017, the appeals pending with COMPAT were transferred to National Company Law Appellate Tribunal by the Government. The arguments were completed. The Company believes that it has a good case and hence no provision is made. Our opinion is not modified in respect of this matter.

The comparative financial information of the Company for the year ended March 31, 2017 are based on the previously issued statutory financial statements jointly audited by M.S. Jagannathan & N. Krishnaswami, Chartered Accountants and CNGSN & Associates LLP, Chartered Accountants, the predecessor auditors, whose report for the year ended March 31, 2017 dated 30-05-2017 expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

   d) In our opinion, the aforesaid Separate Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the Directors as on 31st March 2018 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) We have enclosed our separate report in "Annexure B" with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The details of the pending litigations and its impact on the Financial Statements have been disclosed in Note No 47.2.1 to 47.2.20 of the 'Disclosures forming part of Separate Financial Statements' for the year ended 31st March 2018.

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

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

.

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P.SANTHANAM
Partner
Membership Number: 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M.VIJAYAN
Partner
Membership Number: 026972

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the Financial Statements of the Company for the year ended 31st March 2018:

1) Fixed Assets

   1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   1.2 The fixed assets were physically verified during the year by the Management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed during such verification.

   1.3 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.

2) Inventory

   2.1 The Management has conducted the physical verification of inventory at reasonable intervals.

   2.2 The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.

3) The Company has granted loan to a party listed in the Register maintained under Section 189 of the Act. The maximum outstanding at any time during the year was ₹ 33.59 Crores (PY: ₹ 36.37 Crores) and the amount outstanding as on 31st March 2018 is ₹ 27.83 Crores (PY: ₹ 31.42 Crores).

   3.1 In our opinion, the terms and conditions on which the loan has been granted to the party listed in the Register maintained under Section 189 of the Act are not prejudicial to the interest of the Company.

   3.2 The payment of the principal and the interest wherever applicable are regular.

   3.3 There are no overdue amounts in respect of the loan granted to a party listed in the Register maintained under Section 189 of the Act.

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) The company is maintaining the accounts and records which have been specified by the Central Government under Section 148(1) of the Act.

7) Undisputed and disputed taxes and duties

   7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and Services Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

   7.2 The disputed statutory dues aggregating to ₹ 629.85 Crores (PY: ₹ 655.42 Crores) that have not been deposited on account of matters pending before appropriate authorities are as under..

₹ in Crores

Sl. No	Name of the Statute	Forum where dispute is pending	As at 31-03-2018	As at 31-03-2017
1	VAT/CST Act	Assessing Authority	0.46	0.46
		Assistant/Deputy Commissioner, Appeals	0.24	0.31
		Appellate Tribunal	5.82	6.28
		High Court	68.85	68.85
2	Central Excise Act & Cenvat Credit Rules	Assistant/Deputy/ Additional Commissioner	340.92	299.64
		Commissioner, Appeals	4.88	5.31
		Appellate Tribunal	178.42	187.03
		High Court	4.55	7.08
		Supreme Court	25.71	51.41
3	Customs Act	Appellate Tribunal	-	29.05
Total			**629.85**	655.42

8) The Company has not defaulted in repayment of dues to Financial Institutions, Banks, Debenture holders or Government.

9) The Company did not raise any money by way of initial public offer or further public offer. The Company has raised term loans from Banks/Institutions during the year and the proceeds have been applied for the purposes for which they were raised. The Company has not issued any debentures during the year.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11) According to the information and explanations given 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.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

14) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.

15) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

16) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company..

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P.SANTHANAM
Partner
Membership Number: 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M.VIJAYAN
Partner
Membership Number: 026972

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARDS OF THE RAMCO CEMENTS LIMITED

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

We have audited the internal financial controls over financial reporting of The Ramco Cements Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on 31st March 2018.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both applicable to an audit of Internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

.

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P.SANTHANAM
Partner
Membership Number: 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M.VIJAYAN
Partner
Membership Number: 026972

BALANCE SHEET AS AT 31ST MARCH 2018

₹ In Crores

	Note No.	31-03-2018	31-03-2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	**5,008.78**	4,877.28
Capital Work in Progress	8	**150.03**	97.42
Investment Property	9	**237.57**	240.63
Intangible Assets	10	**51.76**	65.10
Intangible Assets under Development	11	**24.89**	22.84
Investments in Subsidiary and Associates	12	**131.90**	121.79
Financial Assets			
Other Investments	12a	**27.37**	26.53
Loans	13	**41.84**	46.29
Other Financial Assets	14	**15.66**	9.81
Other Non-Current Assets	15	**102.34**	82.62
		5,792.14	5,590.31
Current Assets			
Inventories	16	**559.94**	575.43
Financial Assets			
Trade Receivables	17	**442.31**	554.90
Cash and Cash Equivalents	18	**88.21**	81.65
Bank Balances other than Cash and Cash Equivalents	19	**31.20**	36.43
Loans	20	**31.10**	27.26
Other Financial Assets	21	**57.71**	31.23
Other Current Assets	22	**87.81**	111.69
		1,298.28	1,418.59
Total Assets		**7,090.42**	7,008.90
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	23	**23.56**	23.81
Other Equity	24	**4,018.62**	3,717.70
		4,042.18	3,741.51
Non Current Liabilities			
Financial Liabilities			
Borrowings	25	**416.31**	503.63
Provisions	26	**8.65**	3.61
Deferred Tax Liabilities (net)	27	**759.68**	728.14
Deferred Government Grants	28	**12.71**	11.48
		1,197.35	1,246.86
Current Liabilities			
Financial Liabilities			
Borrowings	29	**582.64**	634.51
Trade Payables	30	**267.14**	255.79
Other Financial Liabilities	31	**775.42**	997.84
Other Current Liabilities	32	**143.16**	80.38
Provisions	33	**48.43**	46.51
Deferred Government Grants	34	**1.13**	0.96
Liabilities for Current tax	35	**32.97**	4.54
		1,850.89	2,020.53
Total Equity and Liabilities		**7,090.42**	7,008.90
Significant Accounting Policies, Judgments and Estimates	1 - 6		
See accompanying notes to the financial statements	7 - 56		

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Chennai
23-05-2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	Note No.	31-03-2018	31-03-2017
REVENUE			
Revenue from operations	36	**4,566.31**	4,564.23
Other Income	37	**36.64**	43.51
Total Revenue		**4,602.95**	4,607.74
EXPENSES			
Cost of Materials Consumed	38	**736.68**	624.38
Purchase of Stock-in-Trade	39	**30.00**	31.07
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	**(16.10)**	14.94
Excise Duty on Sale of Goods	41	**159.95**	614.69
Employee Benefits Expense	42 & 49	**303.98**	277.73
Finance Costs	43	**59.21**	103.52
Depreciation and Amortization Expense	44	**292.20**	284.49
Transportation and Handling Expenses		**928.10**	738.27
Power and Fuel		**729.07**	516.41
Other Expenses	45	**595.20**	552.09
Total Expenses		**3,818.29**	3,757.59
Profit Before Tax		**784.66**	850.15
Tax Expenses	27		
Current Tax		**204.54**	187.00
Excess tax provision related to earlier years written back		**(4.86)**	-
Net Current tax expenses		**199.68**	187.00
Deferred Tax		**22.02**	15.90
Deferred tax adjustments of earlier year		**7.30**	(2.04)
Net Deferred tax expenses		**29.32**	13.86
Total Tax Expenses		**229.00**	200.86
PROFIT FOR THE YEAR	A	**555.66**	649.29
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)	49	**(0.28)**	(3.57)
Deferred Tax (charge)/credit on above	27	**(2.22)**	1.24
Fair value gain/(loss) on Equity Instruments through OCI	12a	**0.78**	1.09
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	B	**(1.72)**	(1.24)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(A) + (B)	**553.94**	648.05
Earnings per equity share of face value of ₹ 1 each	50		
Basic and Diluted in ₹		**23**	27
Significant Accounting Policies, Judgments and Estimates	1 - 6		
See accompanying notes to the financial statements	7 - 56		

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Chennai
23-05-2018

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

		31-03-2018	31-03-2017
Cash Flow from Operating Activities			
Profit Before Tax		**784.66**	850.15
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation & Amortization		**292.20**	284.49
Loss / (Profit) on sale of Property, Plant & Equipment *(Including Investment Property)*		**1.07**	(0.73)
Bad Debts written off		**0.42**	0.72
Impairment Loss on assets		**9.43**	7.64
Provision for compensated absences		**1.96**	1.98
Provision for Mines Restoration Expenditure		**4.41**	1.70
Interest Income		**(15.63)**	(26.17)
Dividend Income		**(0.77)**	(0.09)
Grant Income		**(2.16)**	(3.06)
Cash flow arising out of Actuarial loss on defined benefit obligations		**(0.28)**	(3.57)
Fair value gain on Mutual funds		**(0.02)**	(0.05)
Rent Receipts		**(8.72)**	(7.81)
Finance costs		**59.21**	103.52
Other non-cash adjustments		**2.05**	1.34
Operating Profit before Working Capital changes		**1,127.83**	1,210.06
Movements in Working capital:			
Inventories		**15.49**	(26.41)
Trade receivables and other assets		**121.53**	(34.61)
Trade payables and other liabilities		**19.33**	145.77
Cash generated from Operations		**1,284.18**	1,294.81
Direct Taxes paid		**(171.29)**	(189.43)
Net Cash generated from Operating Activities	A	**1,112.89**	1,105.38
Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment and Investment Properties *(Including Capital work-in-progress, Capital Advances and payable for capital goods)*		**(495.77)**	(306.66)
Proceeds from Sale of Property,Plant & Equipment and Investment Properties		**1.57**	2.35
Interest received		**8.28**	23.08
Dividend received		**0.73**	0.06
Loans repaid by Subsidiary Company		**3.59**	0.52
Investment in Equity Shares of Associate companies		**(10.11)**	(3.00)
Rent Receipts		**8.72**	7.81
Net Cash used in Investing Activities	B	**(482.99)**	(275.84)
Cash Flow from Financing Activities			
Amount utilised towards Buy-back of Equity Shares		**(168.12)**	-
Proceeds from Long Term Borrowings		**95.74**	10.00
Repayment of Long Term Borrowings		**(353.41)**	(707.10)
(Repayment) / Availment of Short Term Borrowings (net)		**(210.52)**	147.53
Payment of Dividend and Dividend Distribution Tax		**(85.15)**	-
Interest paid		**(65.76)**	(109.02)
Net Cash used in Financing Activities	C	**(787.22)**	(658.59)
Net Increase / (Decrease) in Cash and Cash equivalents	D = (A+B+C)	**(157.32)**	170.95
Opening balance of Cash and Cash equivalents	E	**(13.59)**	(184.54)
Closing balance of Cash and Cash equivalents	D + E	**(170.91)**	(13.59)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018 (Contd.)

₹ In Crores

Notes

(i) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow .

(ii) For the purpose of Statement of Cash Flows, Cash and Cash Equivalents comprise the following:

	31-03-2018	31-03-2017
Cash and cash equivalents (Refer Note 18)	**88.21**	81.65
Bank Balances other than cash and cash equivalents (Refer Note 19)	**31.20**	36.43
	119.41	118.08
Less: Cash Credit (Refer Note 29)	**290.32**	131.67
Cash and Bank Balances, net of Cash Credit for Statement of Cash Flow	**(170.91)**	(13.59)
(iii) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:		
Balance at the beginning of the year		
Long Term Borrowings	**503.63**	1,047.10
Short Term Borrowings (excluding cash credit)	**502.84**	355.31
Current maturities of Long Term Debt	**286.67**	445.32
Interest accrued	**9.62**	16.58
Sub-total Balance at the beginning of the year	**1,302.76**	1,864.31
Cash flows during the year		
Proceeds from Long Term Borrowings	**95.74**	10.00
Repayment of Long Term Borrowings	**(353.41)**	(707.10)
(Repayment) / Availment of Short Term Borrowings (net)	**(210.52)**	147.53
Interest paid	**(65.76)**	(109.02)
Sub-total Cash flows during the year	**(533.95)**	(658.59)
Non-cash changes		
Interest accrual for the year	**59.21**	103.52
Unwinding of discounts on provisions	**(0.63)**	(0.27)
Recognition of difference between fair value of Soft Loan from Government and transaction value as Deferred Government Grant	**(3.56)**	(6.21)
Sub-total Non-cash changes during the year	**55.02**	97.04
Balance at the end of the year		
Long Term Borrowings	**416.31**	503.63
Short Term Borrowings	**292.32**	502.84
Current maturities of Long Term Debt	**114.21**	286.67
Interest accrued but not due	**0.99**	9.62
Sub-total Balance at the end of the year	**823.83**	1,302.76
See accompanying notes to the financial statements 7 - 56		

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share Capital

₹ in Crores

Balance as at 01-04-2016	23.81
Changes in Equity Share Capital during the year 2016-17	-
Balance as at 31-03-2017	**23.81**
Changes in Equity Share Capital during the year 2017-18	(0.25)
Balance as at 31-03-2018	**23.56**

B. Other Equity

₹ in Crores

Particulars	Reserves and Surplus				Items of OCI		Total Other Equity
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Remeasurements of Defined Benefit Obligations	
Other Equity as at 01-04-2016	**1.38**	**125.00**	**2,840.94**	**99.91**	**2.42**	**-**	**3,069.65**
Add: Profit for the year	-	-	-	649.29	-	-	649.29
Add: Other Comprehensive Income	-	-	-	-	1.09	(2.33)	(1.24)
Total Comprehensive Income	**-**	**-**	**-**	**649.29**	**1.09**	**(2.33)**	**648.05**
Less: Transfer to Retained Earnings	-	-	-	-	-	(2.33)	(2.33)
Less: Transfer to General Reserve	-	75.00	-	546.87	-	-	621.87
Add: Transfer from Retained Earnings	-	-	546.87	-	-	-	546.87
Add: Transfer from OCI	-	-	-	(2.33)	-	-	(2.33)
Add: Transfer from Debenture Redemption Reserve	-	-	75.00	-	-		75.00
Other Equity as at 31-03-2017	**1.38**	**50.00**	**3,462.81**	**200.00**	**3.51**	**-**	**3,717.70**
Add: Profit for the year	-	-	-	555.66	-	-	555.66
Add: Other Comprehensive Income for the year	-	-	-	-	0.78	(2.50)	(1.72)
Total Comprehensive Income	**-**	**-**	**-**	**555.66**	**0.78**	**(2.50)**	**553.94**
Less: Transfer to Retained Earnings	-	-	-	-	-	(2.50)	(2.50)
Less: Transfer to General Reserve	-	50.00	-	468.01	-	-	518.01
Less: Transfer to Capital Redemption Reserve	-	-	0.25	-	-	-	0.25
Add: Transfer from General Reserve	0.25	-	-	-	-	-	0.25
Add: Transfer from Retained Earnings	-	-	468.01	-	-	-	468.01
Add: Transfer from OCI	-	-	-	(2.50)	-	-	(2.50)
Add: Transfer from Debenture Redemption Reserve	-	-	50.00	-	-	-	50.00
Less: Dividend and Dividend Distribution Tax	-	-	-	85.15	-	-	85.15
Less: Amount utilised for Buy-Back of Equity Shares	-	-	167.87	-	-	-	167.87
Other Equity as at 31-03-2018	**1.63**	**-**	**3,812.70**	**200.00**	**4.29**	**-**	**4,018.62**

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1. Corporate Information

The Ramco Cements Limited is a Public Limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act 1956. The Registered office of the Company is located at "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu. The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited.

The Company is engaged in manufacture of Cement, Ready Mix Concrete and Dry Mortar products. The Company caters mainly to the domestic markets. The Company is also engaged in sale of surplus electricity generated from its windmills and thermal power plants after meeting its captive requirements.

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 23-05-2018.

2. Basis of Preparation of Separate Financial Statements

2.1 The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time.

2.2 The significant accounting policies used in preparing the financial statements are set out in Note 4.

2.3 The Company has considered its operating cycle to be 12 months for the purpose of Current and Non-current classification of assets and liabilities.

2.4 An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period, or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.

2.5 A liability is classified as current when it is expected to be settled in normal operating cycle, or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

2.6 The financial statements are presented in Indian Rupees rounded to the nearest Crores with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Crores.

2.7 Previous year figures have been regrouped / restated, wherever necessary and appropriate.

3. Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 4.18 - Accounting Policy for Financial Instruments) and defined benefit plan assets which are measured at fair value.

4. Significant Accounting Policies

4.1 Inventories

4.1.1 Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. 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.

4.1.2 Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Process stock.

Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities and other costs incurred in bringing the inventory to their present location and condition. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

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

4.2 Statement of Cash Flow

4.2.1 Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of

transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

4.2.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

4.2.3 Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash Flow .

4.3 Dividend distribution to Equity shareholders

Final dividend distribution to shareholders is recognised in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend together with applicable taxes is recognised directly in Equity.

4.4 Income Taxes

4.4.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income Tax Act, 1961 and other applicable tax laws.

4.4.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.

4.4.3 Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

4.4.4 Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

4.4.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

4.4.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.

4.4.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

4.5 Property, plant and equipments (PPE)

4.5.1. PPEs are stated at cost of acquisition or construction (net of CENVAT / VAT/ GST wherever applicable) less accumulated depreciation / amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

The company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. When each major inspection/overhauling is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Items such as spare parts, stand-by equipments and servicing equipments are classified as PPE when they meet the definition of PPE as per Ind AS 16. Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.

Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

4.5.2 The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from

the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings	3 to 60 years
Plant and equipments - Cement	2 to 60 years
Plant and equipments - Ready mix concrete	10 to 25 years
Plant and equipments - Dry mortar products	5 to 25 years
Thermal power plants	5 to 60 years
Windmills	5 to 30 years
Workshop and Quarry equipments	8 to 25 years
Mobile Phones	3 years
Motor cars given to employees as per company's scheme	6 to 7 years

4.5.3 PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

4.5.4 PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

4.5.5 Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.

4.5.6 Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

4.5.7 The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress

4.5.8 Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

4.6 Leases

4.6.1 The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

4.6.2 The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts and payments are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company do not have any finance leases.

4.6.3 The amount paid for securing right to use of lands qualify as Operating lease and the amount paid for leasehold land is classified as "Lease prepayments" under prepaid expenses, which are amortised over the tenure of lease.

4.7 Revenue Recognition

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

4.7.2 **Revenue from Operations**

Sale of products

Revenue is recognised at the fair value of consideration received or receivable upon transfer of significant risks and rewards of ownership of goods which coincides with the delivery of goods. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Power generated from Windmills

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO, KPTCL & BESCOM are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue. Power generated from windmills that are covered under power purchase agreement with TANGEDCO are recognised at the rate fixed by respective State Electricity Regulatory Commissions, upon transmission of energy to the grids of the State Electricity Board and the same is classified as "Sale of power generated from windmills".

Scrap sale

Scrap sale is recognised at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods including excise duty excluding applicable taxes on sale.

Industrial Promotion Assistance

This being in the nature of Government grants, which are recognised at fair value when the Company's right to receive the same is established with reasonable assurance.

4.7.3 Other Income

a) Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

b) Dividend income is recognised when the Company's right to receive dividend is established.

c) Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease.

d) Value of Carbon credits are recognised when the Company's right to receive the same is established.

e) Income from merchant power, arising out of sale of surplus electricity generated from its thermal power plants after meeting its captive requirements, is recognised upon transmission of energy to the grids of the State Electricity Board after netting off expenses attributable to it.

4.8 Employee Benefits

4.8.1 Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

4.8.2 Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.

4.8.3 The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary. The Company has no further obligations.

4.8.4 The Company also contributes for superannuation a sum equivalent to 15% of the officer's eligible annual basic salary. Out of the said 15% contribution, a sum upto ₹ 1.50 Lacs per annum is remitted to The Ramco Cements Limited Officer's Superannuation Fund administered by trustees and managed by LIC of India. The balance amount, if any, is either remitted to National Pension System (NPS) subject to applicable ceiling or paid as salary at the option of employees. There are no further obligations in respect of the above contribution plan.

4.8.5 The Company has its own Defined Benefit Plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Company makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India, including for its employees in subsidiary Company, based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using Projected Unit Credit method.

4.8.6 The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

4.8.7 Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

4.9 Government Grants

4.9.1 Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

4.9.2 In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

4.9.3 The soft loan from government is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of soft loan from government at a below-market rate of interest is treated as a government grant and classified as "Deferred Grant". It is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received.

The said deferred grant is amortized over the useful life of the underlying asset.

4.10 Foreign currency transactions

4.10.1 The financial statements are presented in Indian Rupees, which is also the Company's functional currency.

4.10.2 All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.

4.10.3 Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

4.10.4 Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the date of transaction.

Foreign Branch Operations

4.10.5 Income and expenditure transactions are translated to functional currency using monthly moving average exchange rate.

4.10.6 Monetary assets and liabilities of foreign branch as at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

4.10.7 Non-monetary items of foreign branch are carried at historical cost denominated in foreign currency and are reported using the exchange rates at the transaction date.

4.11 Borrowing Costs

4.11.1 Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

4.11.2 Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

4.12 Earnings per Share

4.12.1 Earnings per share is calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares including un-allotted bonus shares outstanding during the year.

4.12.2 Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per share.

4.12.3 The Company do not have any potential equity shares.

4.13 Impairment of Non-Financial Assets

4.13.1 The carrying values of assets include property, plant and equipment, investment properties, cash generating units and intangible assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.

4.13.2 Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.

4.13.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

4.13.4 An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

4.14 Provisions, Contingent Liabilities and Contingent Assets

4.14.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

4.14.2 Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.14.3 The Company provides for the estimated expenses at fair value that are required to restore mines. The estimated restoration expenses are determined based on the estimated mineral reserves available. The actual expenses may vary based on the nature of restoration and estimate of restoration expenses. Mines restoration expenses are

incurred on an on-going basis until the closure of mines. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates and expected timing of these costs. The provision for this expense is included under "Cost of materials consumed" to the extent such mineral reserves were used in the production. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.

4.14.4 Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.

4.14.5 Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

4.15 Intangible Assets

4.15.1 The costs incurred in connection with securing right to extract mineral reserves are capitalised under "Mining Rights" and the costs of stripping overburden to gain access to limestone deposits and the present value of restoration liability, if materially significant, to the extent of exposed overburden area are capitalised under "Mine Development".

4.15.2 The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

4.15.3 The cost incurred for right to un-restricted usage of power transmission system for sale of power from Company's captive thermal power plants to State grid and for drawal of power from State grid to its plant were capitalized as the Company is expected to yield future economic benefits.

4.15.4 Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team as detailed below:

Nature of Intangible assets	Estimated useful life
Mining rights	Over the period of mining lease
Mine Development	Unit of production method
Computer software	6 years
Power transmission system	5 years

4.15.5 The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

4.15.6 The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

4.16 Investment Properties

4.16.1 An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

4.16.2 Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.

4.16.3 The company identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

4.16.4 Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings under Investment properties	3 to 60 years

4.16.5 Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount received towards investment properties that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

4.16.6 The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

4.17 Operating Segments

The Company's business operation comprises of single operating segment viz., cement and cementitious materials. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

4.18 Financial Instruments

4.18.1 A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.18.2 Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

4.18.3 The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

Financial Assets

4.18.4 Financial assets comprise of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.

4.18.5 Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

a) Amortised cost; or

b) Fair value through other comprehensive income (FVTOCI); or

c) Fair value through profit or loss (FVTPL)

Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

4.18.6 The Company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification / Business Model
Amortised cost
The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI
The objective of the Company is to collect its contractual cash flows and selling financial assets.

The Company has accounted for its investments in subsidiary and associates at cost. The Company has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Company classifies its financial assets for measurement as below:

Classification / Name of Financial Assets
Amortised cost
Trade receivables, Loans and advances to subsidiary company, employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI
Equity investments in companies other than Subsidiary & Associate as an option exercised at the time of initial recognition.
FVTPL
Investments in mutual funds, forward exchange contracts.

4.18.7 Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

a) significant risk and rewards of the financial asset, or

b) control of the financial asset

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset.

4.18.8 Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

4.18.9 For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other

financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Impairment testing methodology for Financial Assets
Trade receivables
Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets
When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

4.18.10 Financial Liabilities comprise of Borrowings from Banks, Debentures, Soft loan / Interest free loan from Government, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.

4.18.11 The Company measures its financial liabilities as below:

Measurement basis / Name of Financial liabilities
Amortised cost
Borrowings, Debentures, Soft Loan/Interest free loan from Government, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits, Mines restoration obligation and other financial liabilities not for trading.
FVTPL
Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

4.18.12 Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

4.18.13 Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.

4.18.14 Upon derecognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

4.19 Fair value measurement

4.19.1 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.

4.19.2 The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

4.19.3 All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

4.19.4 For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

4.19.5 For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

4.19.6 The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

Investments in Equity / Mutual Funds

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade and other receivables

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, soft loan from government, deferred sales tax liability, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial guarantee obligation

The fair value of financial guarantee obligation with reference to loan availed by subsidiary/associates is determined on the basis of estimated cost involved in securing equivalent size of the guarantees from bank.

Investment Properties

The fair value is determined for disclosure purposes based on an annual evaluation performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

5. Recent Accounting pronouncements – Standards issued but not effective

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying deletion of existing standard Ind AS 18 and insertion of new standard Ind AS 115 on Revenue from Contracts with Customers. The amendments are applicable to the company from April 1, 2018.

This Standard establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Adoption of Ind AS 115 is not expected to have any impact on the Company's revenue and profit or loss. The Company expects the revenue recognition to occur at a point in time when the materials are delivered at the customers in case of cement and cementitious materials and in the case of wind power, when energy is transmitted to the grid.

However, the Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

6. Significant Estimates and Judgements

The preparation of the 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. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Asset (Including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Impairment of Trade receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Mine Development

In determining the allocation of mine development cost based on the unit of production method, assumptions and estimates are made by the management, in relation to the estimated mineral reserves available for the remaining period.

Mines Restoration Expenditure

In determining the provision for Mines restoration expenditure, assumptions and estimates are made by the management, in relation to discount rates, the expected mineral reserves, estimated cost to restore the mines and the expected timing of those costs.

Defined Benefit Plans and Other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 7

PROPERTY, PLANT AND EQUIPMENT

₹ In Crores

Particulars	Year	Gross Block				Depreciation				Impairment				Net Block
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the beginning of the year	Impairment Loss for the year	Deductions	As at the end of the year	As at the end of the year
Own assets														
Land	2017-18	491.24	150.19	0.02	641.41	-	-	-	-	-	-	-	-	641.41
	2016-17	448.06	43.36	0.18	491.24	-	-	-	-	-	-	-	-	491.24
Buildings	2017-18	773.82	62.68	0.70	835.80	198.70	36.85	0.32	235.23	-	0.38	0.38	-	600.57
	2016-17	733.32	41.27	0.77	773.82	162.75	36.36	0.41	198.70	-	0.35	0.35	-	575.12
Plant & Equipments	2017-18	6,015.29	172.87	35.67	6,152.49	2,354.21	195.83	19.08	2,530.96	1.27	9.05	9.05	1.27	3,620.26
	2016-17	5,816.04	216.43	17.18	6,015.29	2,173.92	190.14	9.85	2,354.21	1.27	7.24	7.24	1.27	3,659.81
Railway Siding	2017-18	115.35	0.65	-	116.00	37.72	6.82	-	44.54	-	-	-	-	71.46
	2016-17	114.59	0.76	-	115.35	30.28	7.44	-	37.72	-	-	-	-	77.63
Workshop, Quarry Equipments	2017-18	46.65	2.52	0.51	48.66	35.01	2.79	0.35	37.45	-	-	-	-	11.21
	2016-17	46.65	2.16	2.16	46.65	33.45	3.49	1.93	35.01	-	0.01	0.01	-	11.64
Research & Development Equipments	2017-18	63.75	2.56	8.77	57.54	50.88	1.31	8.33	43.86	-	-	-	-	13.68
	2016-17	63.75	-	-	63.75	49.64	1.24	-	50.88	-	-	-	-	12.87
Furniture & Fixtures	2017-18	40.18	3.46	0.10	43.54	18.39	3.66	0.09	21.96	-	-	-	-	21.58
	2016-17	38.86	2.87	1.55	40.18	16.11	3.57	1.29	18.39	-	0.02	0.02	-	21.79
Office Equipments	2017-18	48.55	5.37	0.73	53.19	34.49	5.03	0.27	39.25	-	-	-	-	13.94
	2016-17	45.86	3.89	1.20	48.55	30.42	5.19	1.12	34.49	-	0.02	0.02	-	14.06
Vehicles	2017-18	25.98	4.97	2.55	28.40	12.86	2.59	1.72	13.73	-	-	-	-	14.67
	2016-17	24.66	4.03	2.71	25.98	12.31	2.44	1.89	12.86	-	-	-	-	13.12
Total	**2017-18**	**7,620.81**	**405.27**	**49.05**	**7,977.03**	**2,742.26**	**254.88**	**30.16**	**2,966.98**	**1.27**	**9.43**	**9.43**	**1.27**	**5,008.78**
	2016-17	**7,331.79**	**314.77**	**25.75**	**7,620.81**	**2,508.88**	**249.87**	**16.49**	**2,742.26**	**1.27**	**7.64**	**7.64**	**1.27**	**4,877.28**

Notes

(a) The Company has capitalised borrowing cost of ₹ 3.31 Crores (PY: Nil) during the year. The Capitalisation rate used to determine the amount of borrowing costs to be capitalised in the weighted average interest rate applicable to the entity's general borrowings that are outstanding during the year, in this case 8.32% p.a.

(b) The carrying amount of movable fixed assets of the Company and immovable properties (excluding mining lands) pertaining to Cement plant located at Alathiyur, Ariyalur, Ramasamy Raja Nagar, Jayanthipuram, Mathodu, Chengalpattu, Salem have been pledged by way of pari passu first charge as security for Long term Borrowings (Refer Note 25).

(c) The Impairment loss relates to assets that were damaged / discarded during the year. The written down value as at the date of damage / discard was recognised as impairment loss in the Statement of Profit and Loss and also derecognised from the financial statement since no future benefit is expected from its use / disposal.

(d) Deductions in Gross Block comprises of:

Class of Assets	*2017-18*				*2016-17*			
	Sale of Assets	*Impairment of Assets*	*Held for retrofitting*	*Total*	*Sale of Assets*	*Impairment of Assets*	*Held for retrofitting*	*Total*
Land	*0.02*	*-*	*-*	*0.02*	*0.18*	*-*	*-*	*0.18*
Building	*-*	*0.70*	*-*	*0.70*	*0.09*	*0.68*	*-*	*0.77*
Plant and Equipments	*1.81*	*22.07*	*11.79*	*35.67*	*0.35*	*16.83*	*-*	*17.18*
Workshop and Quarry Equipments	*0.51*	*-*	*-*	*0.51*	*2.14*	*0.02*	*-*	*2.16*
Research and Development Equipments	*8.77*	*-*	*-*	*8.77*	*-*	*-*	*-*	*-*
Furnitures and Fixtures	*0.09*	*0.01*	*-*	*0.10*	*0.69*	*0.86*	*-*	*1.55*
Office Equipments	*0.68*	*0.05*	*-*	*0.73*	*0.88*	*0.32*	*-*	*1.20*
Vehicles	*2.55*	*-*	*-*	*2.55*	*2.71*	*-*	*-*	*2.71*
Total	*14.43*	*22.83*	*11.79*	*49.05*	*7.04*	*18.71*	*-*	*25.75*

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 8

CAPITAL WORK IN PROGRESS (CWIP)

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Capitalised under PPE	As at the end of the year
Buildings	2017-18	26.38	56.26	62.68	19.96
	2016-17	30.81	36.84	41.27	26.38
Plant & Equipments	2017-18	69.29	209.89	172.87	106.31
	2016-17	105.75	179.97	216.43	69.29
Railway Siding	2017-18	1.75	22.66	0.65	23.76
	2016-17	1.75	0.76	0.76	1.75
Total	**2017-18**	**97.42**	**288.81**	**236.20**	**150.03**
	2016-17	**138.31**	**217.57**	**258.46**	**97.42**

Note: Capital work in progress includes borrowing cost of ₹ 1.16 Crores (PY: Nil)

NOTE 9

INVESTMENT PROPERTY

₹ In Crores

Particulars	Year	Gross Block				Depreciation				Net Block
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year
Land	2017-18	142.60	-	-	142.60	-	-	-	-	142.60
	2016-17	142.60	-	-	142.60	-	-	-	-	142.60
Buildings	2017-18	112.63	0.16	-	112.79	14.60	3.22	-	17.82	94.97
	2016-17	96.35	16.28	-	112.63	11.52	3.08	-	14.60	98.03
Total	**2017-18**	**255.23**	**0.16**	**-**	**255.39**	**14.60**	**3.22**	**-**	**17.82**	**237.57**
	2016-17	**238.95**	**16.28**	**-**	**255.23**	**11.52**	**3.08**	**-**	**14.60**	**240.63**

Notes

(a) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.

(b) The fair valuation of these investment properties are determined by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets and further moderated by market-corroborated inputs.

(c) The company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Information regarding Income & Expenditure of Investment Property

₹ In Crores

Particulars	31-03-2018	31-03-2017
Rental Income derived from Investment Properties	**7.55**	7.50
Less: Direct Operating Expenses (including Repairs & Maintenance) generating Rental Income	**0.22**	0.19
Less: Direct Operating Expenses (including Repairs & Maintenance) that did not generate Rental Income	**-**	-
Profit from investment properties before depreciation	**7.33**	7.31
Less: Depreciation	**3.22**	3.08
Profit from investment properties	**4.11**	4.23

Information regarding Fair value of Investment Property

₹ In Crores

Particulars	31-03-2018	31-03-2017
Fair value of Investment Properties	**428.85**	385.52

Note

The fair valuation of the investment properties are determined annually by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. All resulting fair value estimates for investment properties are included in Level 2.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 10

INTANGIBLE ASSETS

₹ In Crores

Particulars	Year	Gross Block				Amortisation				Net Block
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year
Mining rights	2017-18	25.57	-	-	25.57	12.51	1.15	-	13.66	11.91
	2016-17	33.77	0.26	8.46	25.57	19.38	1.59	8.46	12.51	13.06
Mine Development	2017-18	70.93	16.86	-	87.79	48.58	19.99	-	68.57	19.22
	2016-17	88.96	6.81	24.84	70.93	57.22	16.20	24.84	48.58	22.35
Computer Software	2017-18	70.99	3.90	-	74.89	43.71	11.48	-	55.19	19.70
	2016-17	61.80	9.19	-	70.99	32.72	10.99	-	43.71	27.28
Power Transmission System	2017-18	13.82	-	6.43	7.39	11.41	1.48	6.43	6.46	0.93
	2016-17	12.96	0.86	-	13.82	8.65	2.76	-	11.41	2.41
Total	**2017-18**	**181.31**	**20.76**	**6.43**	**195.64**	**116.21**	**34.10**	**6.43**	**143.88**	**51.76**
	2016-17	**197.49**	**17.12**	**33.30**	**181.31**	**117.97**	**31.54**	**33.30**	**116.21**	**65.10**

Note: Deductions represent impaired intangible assets de-recognised from the financial statements since no future economic benefit is expected.

NOTE 11

INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Captialised under		As at the end of the year
				CWIP	Intangible Asset	
Mine Development	2017-18	22.84	18.91	-	16.86	24.89
	2016-17	5.78	23.87	-	6.81	22.84
Power Transmission System	2017-18	-	-	-	-	-
	2016-17	2.75	-	1.89	0.86	-
Total	**2017-18**	**22.84**	**18.91**	**-**	**16.86**	**24.89**
	2016-17	**8.53**	**23.87**	**1.89**	**7.67**	**22.84**

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 12

INVESTMENTS IN SUBSIDIARY AND ASSOCIATES

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2018		As at 31-03-2017	
		No. of Shares	Amount	No. of Shares	Amount
Quoted Investments - Fully paid up Equity Shares					
Associate Companies (measured at Cost)					
Ramco Systems Limited	10	**54,17,810**	**90.56**	54,17,810	90.56
Ramco Industries Limited	1	**1,33,72,500**	**20.53**	1,33,72,500	20.53
Rajapalayam Mills Limited	10	**25,600**	**0.29**	25,600	0.29
Total Quoted Investments (A)			**111.38**		**111.38**
Unquoted Investments - Fully paid up Equity Shares					
Subsidiary Company (measured at Cost)					
Ramco Windfarms Limited	1	**71,50,000**	**1.84**	71,50,000	1.84
Sub-total			**1.84**		**1.84**
Associate Companies (measured at Cost)					
Madurai Transcarrier Limited	1	**5,37,50,000**	**5.37**	5,37,50,000	5.37
Lynks Logistics Limited	1	**10,00,00,000**	**10.00**	3,19,00,000	3.19
Sri Vishnu Shankar Mill Limited	10	**2,100**	**0.01**	2,100	0.01
Sub-total			**15.38**		**8.57**
Unquoted Investments - Partly paid up Equity Shares					
Associate Companies (measured at Cost)					
Lynks Logistics Limited (Partly paid up @ ₹ 0.33/share)	1	**10,00,00,000**	**3.30**	-	-
Sub-total			**3.30**		**-**
Total Unquoted Investments (B)			**20.52**		**10.41**
Total Investments in Subsidiary / Associates (A+B)			**131.90**		**121.79**
Aggregate Market Value of Quoted Investments			**502.74**		**530.25**

Notes

(a) The Company has accounted for investments in Subsidiary and Associates at Cost.

(b) The Company has recognised the fair value of transaction cost amounting to ₹ 1.12 Crores and ₹ 2.50 Crores on financial guarantees as part of Cost of Investment on initial recognition, for the financial guarantees given on behalf of Ramco Wind farms Limited and Ramco Systems Limited respectively.

(c) The carrying amount of investment in subsidiary / associates is tested for impairment in accordance with Ind AS 36. There is no impairment in the value of investments as at the reporting date.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 12a

OTHER INVESTMENTS

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2018		As at 31-03-2017	
		No. of Shares	Amount	No. of Shares	Amount
Quoted Investments					
Equity Investments fully paid up (designated at FVTOCI)					
Associated Cements Company Limited	10	**103**	**0.02**	103	0.02
India Cements Limited	10	**58**	**0.00**	58	0.00
Andhra Cements Limited	10	**27**	**0.00**	27	0.00
Heidelberg Cements India Limited	10	**170**	**0.00**	170	0.00
Housing Development Finance Corporation Limited	2	**17,400**	**3.18**	17,400	2.61
HDFC Bank Limited	2	**2,500**	**0.47**	2,500	0.36
Indbank Merchant Banking Services Limited	10	**50,000**	**0.10**	50,000	0.07
Tamil Nadu News Print & Papers Limited	10	**22,700**	**0.79**	22,700	0.71
Indian Bank	10	**2,792**	**0.08**	2,792	0.08
Industrial Development Bank of India Limited	10	**14,240**	**0.10**	14,240	0.11
Sub-total			**4.74**		3.96
Investments in Mutual Funds (measured at FVTPL)					
HDFC Mutual Fund	10	**1,68,196**	**0.51**	1,56,696	0.45
Sub-total			**0.51**		0.45
Total Quoted Investments (A)			**5.25**		4.41
Unquoted Investments - Fully paid up Equity Shares					
Other entities (designated at FVTOCI)					
AP Gas Power Corporation Limited	10	**16,08,000**	**22.12**	16,08,000	22.12
The Ramco Cements Employees' Co-operative Stores Ltd.	10	**250**	**0.00**	250	0.00
Total Unquoted Investments (B)			**22.12**		22.12
Total Other Investments (A+B)			**27.37**		26.53
Aggregate Market Value of Quoted Investments			**5.25**		4.41

Note: Refer Note 53 for information about fair value hierarchy under Disclosure of Fair value measurements.

NOTE 13	**31-03-2018**	31-03-2017
LOANS (NON-CURRENT)		
Secured and Considered Good		
Loans to employees	**8.87**	9.87
Loans and advances to service providers	**2.73**	2.39
Unsecured and Considered Good		
Loans to Subsidiary company (Refer Note 52[c3])	**27.83**	31.42
Loans to employees	**2.41**	2.53
Loans and advances to service providers	**-**	0.08
Total	**41.84**	46.29

Notes

(a) Loans are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.

(b) Secured by way of deposit of original title deeds/hypothecation of assets/creation of second charge of the underlying immovable properties.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 14		
OTHER FINANCIAL ASSETS (NON-CURRENT)		
Unsecured and Considered Good		
Deposit with Government Departments	**13.66**	9.81
Fixed Deposits with Banks (maturity more than 12 months)	**2.00**	-
Total	**15.66**	9.81
Note: Fixed Deposits with Banks represent amount held as security towards Government departments		
NOTE 15		
OTHER NON-CURRENT ASSETS		
Secured and Considered Good		
Capital Advances	**36.89**	2.27
Unsecured and Considered Good		
Capital Advances	**6.06**	4.12
Deposits under protest, in Appeals (Refer Note 47.2.1 to 47.2.20)	**24.67**	32.47
Balance/Claims with Government Departments	**2.65**	2.24
Income Tax Refund receivable	**17.64**	28.86
Prepaid Expenses	**14.43**	12.66
Total	**102.34**	82.62

Notes

(a) Capital Advances are secured by way of Bank guarantees.

(b) The Company's petition filed against the judgement upholding the validity of "The Cess and Other Taxes on Minerals (Validation) Act, 1992" in the Supreme Court has been ruled in company's favour. Pursuant to the above judgement, the Company is entitled to receive a sum of ₹ 1.50 Crores (PY: ₹ 1.50 Crores) from the Government of Tamil Nadu,which is included in 'Balance / Claims with Government Departments'.

(c) Prepaid Expenses include ₹ 7.02 Crores (PY: ₹ 3.60 Crores) towards unamortised upfront premium paid towards lease of land and out of which, ₹ 0.18 Crores (PY: ₹ 0.14 Crores) have been classified under Other current assets.

NOTE 16		
INVENTORIES		
(Valued at lower of Cost or Net Realisable Value)		
Raw materials	**155.52**	179.58
Stores and Spares	**136.57**	150.94
Fuel	**150.64**	139.86
Packing Materials	**25.05**	15.97
Work-in-progress	**55.97**	48.48
Finished goods	**36.19**	40.60
Total	**559.94**	575.43

Notes

(a) Goods in transit included in Inventories -

Raw materials	***17.75***	*-*
Stores and Spares	***0.08***	*-*
Finished goods	***10.23***	*8.81*
Total	***28.06***	*8.81*

(b) The total carrying amount of inventories as at the reporting date has been pledged as security for Short term Borrowings.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 17		
TRADE RECEIVABLES		
Secured and considered good	**299.35**	366.84
Unsecured and considered good	**142.96**	188.06
Unsecured and considered Doubtful	**9.92**	9.92
	452.23	564.82
Less: Impairment of Trade Receivables	**9.92**	9.92
Total	**442.31**	554.90

Notes

(a)	*Unsecured Trade Receivables include dues from -*		
	- State Electricity Boards towards Sale of Power	***70.56***	*132.21*
	- State Government departments towards Sale of Cement	***12.38***	*15.68*
	- Associates towards Sale of Cement	*-*	*0.04*
	Total	***82.94***	*147.93*

(b) Trade receivables are neither due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(c) Trade receivables in respect of cement are generally non-interest bearing. However, for certain receivables of wind power, overdue interest is applicable in terms of specific agreement with counterparty (Refer Note 37[a]).

(d) The receivables from the related parties are furnished in Note 52[c1].

(e) Refer Note 54 for information about risk profile of Trade Receivables under Financial Risk Management.

(f) The total carrying amount of trade receivables has been pledged as security for Short term Borrowings.

NOTE 18

CASH AND CASH EQUIVALENTS		
Cash on hand	**0.11**	0.10
Imprest balances	**0.04**	0.03
Balances with Banks in Current Account	**88.06**	81.52
Total	**88.21**	81.65

Notes

(a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

(b) Refer Note 54 for information about risk profile of cash and cash equivalents under Financial Risk Management.

NOTE 19

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
Fixed Deposits with maturity of more than 3 months but less than 12 months	**27.46**	32.47
Earmarked Balance with Banks for Unclaimed / Disputed Dividend	**3.74**	3.96
Total	**31.20**	36.43

Notes

Fixed Deposits with Banks comprises -

(a)	*Amount deposited by the Company as per the directions issued by Competition Appellate Tribunal in the matter of alleged cartelisation (Refer Note 47.2.6)*	***25.86***	*25.86*
(b)	*Interest accrued on the above*	***1.46***	*-*
(c)	*Amount deposited in an escrow account towards buy-back of shares*	***-***	*4.50*
(d)	*Amount deposited which is held towards security to various Government departments*	***0.14***	*2.11*

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 20		
LOANS (CURRENT)		
Secured and Considered Good		
Loans to employees	**3.03**	3.12
Loans and advances to service providers	**2.84**	2.75
Unsecured and Considered Good		
Loans and advances to Associates (Refer Note 52[c3])	**11.59**	10.24
Loans and advances to other related parties (Refer Note 52[c3])	**9.17**	7.33
Loans to employees	**4.47**	3.73
Loans and advances to service providers	**-**	0.09
Total	**31.10**	27.26

Notes

(a) Loans are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.

(b) Secured by way of deposit of original title deeds / hypothecation of assets / creation of second charge of the underlying immovable properties.

NOTE 21		
OTHER FINANCIAL ASSETS (CURRENT)		
Unsecured and Considered Good		
Advances/Claims receivable	**26.11**	17.14
Deposits with Government Departments	**0.57**	0.54
Industrial Promotion Assistance receivable	**22.71**	10.12
Interest receivable	**5.71**	1.56
Unbilled Revenue	**2.61**	1.87
Total	**57.71**	31.23

Notes

(a) Industrial Promotion Assistance receivable represents amount receivable from Government of Andhra Pradesh.

(b) Unbilled Revenue represents the value of power evacuated to grid but not billed under -

– Power purchase agreement for wind power	***2.39***	*1.77*
– Wheeling & Banking arrangement for the realisable value of unadjusted units of wind power	***0.22***	*0.10*

NOTE 22		
OTHER CURRENT ASSETS		
Balance/Claims with Government Departments	**32.50**	53.54
Advances to Suppliers & Service providers	**36.86**	26.46
Tax Credit - Indirect taxes	**7.77**	26.01
Prepaid Expenses	**10.68**	5.68
Total	**87.81**	111.69

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 23		
EQUITY SHARE CAPITAL		
Authorised		
25,00,00,000 Equity Shares of ₹ 1/- each (PY: 25,00,00,000 Equity Shares of ₹ 1/- each)	**25.00**	25.00
Issued, Subscribed and Fully paid-up		
23,55,76,780 Equity Shares of ₹ 1/- each (PY: 23,80,76,780 Equity Shares of ₹ 1/- each)	**23.56**	23.81

Note: 2,33,600 bonus shares (PY: 2,33,600 bonus shares) of ₹ 1/- each remain unallotted pending completion of required formalities.

(i) Reconciliation of the number of shares		
No. of equity shares at the beginning of the year	**23,80,76,780**	23,80,76,780
Shares bought back during the year	**25,00,000**	-
No. of Equity shares at the end of the year	**23,55,76,780**	23,80,76,780

(ii) Term/Rights/Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹ 1/- each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shareholders holding more than 5 percent in the Company / Shares held by Investor - Associates

	As at 31-03-2018		As at 31-03-2017	
	No. of Shares	**% of holding**	No. of Shares	% of holding
Ramco Industries Limited	**4,93,12,420**	**20.93**	4,93,12,420	20.71
Rajapalayam Mills Limited	**3,29,05,000**	**13.96**	3,29,05,000	13.82
Sri Vishnu Shankar Mill Limited	**38,83,200**	**1.65**	38,83,200	1.63
The Ramaraju Surgical Cotton Mills Limited	**36,24,000**	**1.54**	36,24,000	1.52
Sudharsanam Investments Limited	**29,82,600**	**1.27**	29,82,600	1.25
(iv) Aggregate number of equity shares of ₹ 1/- each the allotted as fully paid up by way of Bonus Shares during period of five years immediately preceding the reporting date		**1,07,400**		1,07,400
(v) Aggregate number of equity shares of ₹ 1/- each bought back during the period of five years immediately preceding the reporting date		**25,00,000**		-

Note

At the meeting held on 07-02-2017, the Board of Directors approved buy-back of shares upto a maximum size of ₹ 180 Crores at a price not exceeding ₹ 720/- per share and maximum of 25 Lac shares. The entire buy-back is completed through Open Market purchases on the Stock Exchanges. The Company had purchased 25 Lacs shares at an average rate of ₹ 673/- per share at a total cost of ₹ 168.12 Crores including brokerage and other charges and net of input tax credits. The Company had also completed the extinguishment formalities for the shares bought back and consequently the paid up shares of the company stands at 23,55,76,780 of ₹ 1/- each as at the reporting date.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 24		
OTHER EQUITY		
Capital Redemption Reserve		
Balance as per last financial statement	**1.38**	1.38
Add: Amount transferred from General Reserve	**0.25**	-
Total	**1.63**	1.38

Nature of Reserve

Capital Redemption Reserve was created for a sum equivalent to its face value at the time of Buy-back of Shares. The Company can use this reserve for issuing fully paid up Bonus shares.

Debenture Redemption Reserve		
Balance as per last financial statement	**50.00**	125.00
Less: Amount transferred to General Reserve to the extent of Debentures redeemed	**50.00**	75.00
Total	**-**	50.00

Nature of Reserve

Debenture Redemption Reserve represents statutory reserve for Non-convertible Debentures issued. This is in accordance with Companies Act, 2013, where in a portion of profit are appropriated each year equivalent to 25% of the face value of debentures issued and outstanding as at the reporting date. This reserve has been released upon redemption of debentures.

General Reserve		
Balance as per last financial statement	**3,462.81**	2,840.94
Less: Amount transferred to Capital Redemption Reserve	**0.25**	-
Less: Amount utilised towards Buy-back of Equity Shares	**167.87**	-
Add: Amount transferred from Debenture Redemption Reserve	**50.00**	75.00
Add: Amount transferred from Retained Earnings	**468.01**	546.87
Total	**3,812.70**	3,462.81

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

Retained Earnings		
Balance as per last financial statement	**200.00**	99.91
Add: Profit for the year	**555.66**	649.29
Add: Transfer from FVTOCI Reserve	**(2.50)**	(2.33)
Balance available for Appropriations	**753.16**	746.87
Less: Appropriations		
Final Dividend (₹ 3/- per share for the year 2016-17; PY: Nil)	**70.75**	-
Dividend Distribution Tax on Final Dividend	**14.40**	-
Transfer to General reserve	**468.01**	546.87
Total Appropriations	**553.16**	546.87
Total	**200.00**	200.00

Nature of Reserve

Retained Earnings represent the undistributed profits of the Company remaining after transfer to other Reserves.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
Fair Value through Other Comprehensive Income Reserve (FVTOCI Reserve)		
Balance as per last financial statement	**3.51**	2.42
Other Comprehensive Income for the year	**(1.72)**	(1.24)
	1.79	1.18
Less: Transfer to Retained Earnings	**(2.50)**	(2.33)
Total	**4.29**	3.51

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Total	**4,018.62**	3,717.70

Note

The Board of Directors have recommended the payment of Final Dividend of ₹ 3/- per share for the year 2017-18 (FY 2016-17: ₹ 3/- per share). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

NOTE 25

LONG TERM BORROWINGS

Secured		
Term Loans from Banks	**45.00**	66.68
Soft Loan from Government	**126.47**	122.90
Unsecured		
Interest free Deferred Sales tax liability	**244.84**	314.05
Total	**416.31**	503.63

Notes

(a) Term Loans from Banks

(i) Pari passu first charge, by way of hypothecation, on Plant & machinery of the company, both present and future.

(ii) Term Loan from Banks carry an Effective Interest Rate of 7.15% p.a. repayable in the year 2019-20.

(b) Soft Loan from Government

(i) The Company has measured the loans availed at a concessional rate at fair value. The difference between fair value of the loan and the carrying amount is classified as Deferred Grant.

Balance as at the beginning of the year	***122.90***	*118.27*
Add: Fair value of Soft loan availed during the year	***2.17***	*3.79*
Add: Interest on the fair value of soft loan as at the reporting date	***1.40***	*0.84*
Total	***126.47***	*122.90*

(ii) Pari passu first charge, by way of hypothecation on the movable fixed assets and mortgage on the immovable properties pertaining to Cement unit located in Ariyalur, Expansion at Ramasamy Raja Nagar Plant, Grinding units at Chengalpattu and Salem.

(iii) This loan carries an interest rate of 0.10% p.a. and are repayable upon completion of 10th year from the date of availment.

₹ In Crores

(iv) Undiscounted value of the soft loan from government being, ₹ 145.11 Crores (Fair value as at the reporting date is ₹ 126.47 Crores), are repayable as per the schedule given below:

Repayment Due	Instalment Amount
April 2022	*30.74*
April 2023	*50.01*
April 2024	*30.02*
April 2025	*18.60*
April 2026	*10.00*
April 2027	*5.74*
Total	***145.11***

(c) Interest free Deferred Sales tax Liability

(i) The Company has availed Interest free Deferred Sales tax liability from State Government under Deferral Sales tax scheme for the Investments made in Alathiyur and Jayanthipuram plant, which are measured at transaction value.

(ii) The maturity profile of Interest free Deferred Sales tax liability is given below:

Repayment Due	No. of Instalments	Instalment Amount
2019 - 20	*12*	*99.75*
2020 - 21	*7*	*63.69*
2022 - 23	*4*	*16.24*
2023 - 24	*9*	*38.21*
2024 - 25	*4*	*18.64*
2025 - 26	*3*	*8.31*
Total	***39***	***244.84***

	31-03-2018	31-03-2017
NOTE 26		
PROVISIONS (LONG TERM)		
Provision for Mines Restoration Obligation	**8.65**	3.61
Total	**8.65**	3.61

Notes

(a) The Company provides for the expenses at fair value that are required to restore the mines based on the estimated mineral reserves available and is included in Cost of materials consumed. The unwinding of discount on provision is shown as Finance Costs in the Statement of Profit and Loss.

(b) Movement in Provisions for Mines Restoration Obligation

Carrying amount as at the beginning of the year	***3.61***	*1.64*
Provision created during the year	***4.41***	*1.70*
Unwinding of discount on provisions	***0.63***	*0.27*
Carrying amount as at the end of the year	***8.65***	*3.61*

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

NOTE 27

DEFERRED TAX LIABILITIES (NET)

Nature of Liability / (Asset)	Balance Sheet		Statement of Profit and Loss	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017
Tax Impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	**904.81**	880.30	**24.51**	18.23
Tax Impact on amortization of intangible assets	**0.32**	0.83	**(0.51)**	(0.66)
Tax impact on provision for compensated absences	**(8.88)**	(8.12)	**(0.76)**	(0.69)
Tax impact on provision for bad and doubtful debts	**(3.47)**	(3.43)	**(0.04)**	0.12
Tax Impact on fair valuation of loans and advances	**-**	(0.94)	**0.94**	(0.24)
Tax Impact on MTM valuation of forward contract, not designated as hedges	**-**	(0.02)	**0.02**	(0.01)
Tax Impact on transaction cost of borrowings using effective interest rate method	**-**	0.02	**(0.02)**	(0.11)
Tax Impact on Asset related subsidy from Government	**(0.13)**	(0.15)	**0.02**	(0.15)
Tax Impact on Remeasurement gains and (losses) on defined benefit obligations (net)	**-**	(2.22)	**2.22**	(1.24)
Unused tax credits (i.e) MAT Credit Entitlement	**(132.46)**	(137.03)	**4.57**	(2.04)
Others	**(0.51)**	(1.10)	**0.59**	(0.59)
Total	**759.68**	728.14	**31.54**	12.62

Reconciliation of Deferred tax Liabilities (Net)	**31-03-2018**	31-03-2017
Balance at the beginning of the year	**728.14**	715.52
Deferred Tax Expense during the year recognised in Statement of Profit and Loss	**29.32**	13.86
Deferred Tax charge / (credit) during the year recognised in OCI	**2.22**	(1.24)
Balance at the end of the year	**759.68**	728.14
Components of Tax Expenses		
(i) Profit or Loss Section		
Current Tax		
Current Income Tax charge	**204.54**	187.00
Excess tax provision related to earlier years written back	**(4.86)**	-
Deferred Tax		
Relating to the origination and reversal of temporary differences	**22.02**	15.90
Deferred Tax adjustments of earlier year	**7.30**	(2.04)
Total Tax Expenses recognised in Profit or Loss section	**229.00**	200.86
(ii) Other Comprehensive Income Section		
Deferred Tax charge/(credit) on remeasurement losses on defined benefit obligations (net)	**-**	(1.24)
Deferred Tax adjustments of earlier year	**2.22**	-
Total Tax Expenses recognised in OCI	**2.22**	(1.24)
(iii) Total Tax Expenses recognised in Statement of Profit and Loss	**231.22**	199.62

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarised below:

	31-03-2018	31-03-2017
Accounting Profit before Tax (including OCI)	**785.16**	847.67
Corporate Tax Rate %	**34.608%**	34.608%
Computed Tax Expenses	**271.73**	293.36
Increase/(reduction) in taxes on account of:		
Tax adjustments of earlier years	**4.66**	0.18
Non-deductible expenses	**3.92**	2.77
Income exempt / eligible for deduction under chapter VI-A	**(56.92)**	(83.77)
Additional allowances / deductions for tax purposes	**(0.72)**	(12.92)
Change in tax rate during the year	**8.55**	-
Tax Expenses recognised in the Statement of Profit and Loss	**231.22**	199.62

Notes

(a) Deferred tax relating to origination and reversal of temporary differences include ₹ 8.55 Crores due to change in tax rate from 34.608% to 34.944%.

(b) Regular method of computation is applicable for Current tax for the year.

(c) Tax adjustments of earlier years represent amount provided for / written back based on recent assessment orders.

NOTE 28

DEFERRED GOVERNMENT GRANTS (NON-CURRENT)		
Deferred Government Grant	**12.71**	11.48
Total	**12.71**	11.48

Notes

(a) Deferred Government Grants comprises of -

(i) Fair value of Interest benefit below market rate of Interest pertaining to Soft Loan from Government is recognised as Deferred Grant and recognised as Grant Income over the useful life of the underlying PPE.

(ii) Industrial Promotion Assistance (IPA) provided by Department of Industries, Government of Andhra Pradesh towards creation of infrastructure facilities is recognised as 'Grant Income' over the useful life of the underlying PPE.

(b) Movement in Government Grants

As at the beginning of the year	***12.44***	*8.29*
Add: Recognition of Deferred Grant - Soft Loan from Government	***3.56***	*6.21*
Add: Recognition of Deferred Grant - IPA for Infrastructure facilities	*-*	*1.00*
Less: Recognised as Grant Income in the Statement of Profit and Loss (Refer Note 36)	***2.16***	*3.06*
Total Deferred Government Grant	***13.84***	*12.44*
Less: Current portion of Government Grant (Refer Note 34)	***1.13***	*0.96*
Non-Current Deferred Government Grants	***12.71***	*11.48*

NOTE 29

SHORT TERM BORROWINGS		
Secured		
Loan from Banks	**105.00**	25.00
Cash credit	**290.32**	131.67
Unsecured		
Loans and advances from Director	**0.32**	17.35
Loan from Banks	**187.00**	-
Commercial Papers	**-**	460.49
Total	**582.64**	634.51

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

Notes

(a) Borrowings are secured by way of first pari passu hypothecation charge on trade receivables and inventories of the company, present and future.

(b) Loans and advances from Director represents amount due to Chairman and Managing Director, which carries an interest rate of 6.75% p.a. (PY: 7.50% p.a.) amounting to ₹ 0.40 Crores (PY: ₹ 0.76 Crores).

(c) Other short term borrowings carry interest ranging from 6.18% to 8.90% p.a.

(d) Refer Note 54 for information about risk profile of borrowings under Financial Risk Management.

	31-03-2018	31-03-2017
NOTE 30		
TRADE PAYABLES		
Payables to Related parties (Refer Note 52[c2])	**-**	0.02
Others	**267.14**	255.77
Total	**267.14**	255.79

Notes

(a) There are no dues to Micro and Small Enterprises as at the reporting date (PY: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent of such parties that have been identified on the basis of information available with the company.

(b) Refer Note 54 for information about risk profile of Trade payables under Financial Risk Management.

NOTE 31

OTHER FINANCIAL LIABILITIES		
Foreign Exchange Forward Contracts, not designated as hedges	**-**	0.06
Current Maturities of Long Term Borrowings	**114.21**	286.67
Interest accrued	**0.99**	9.62
Unclaimed dividends	**2.59**	2.79
Disputed Dividend	**1.78**	1.80
Unclaimed Matured Fixed Deposits	**0.01**	0.01
Security Deposits by		
- Associates (Refer Note 52[c5] & Note 52[c6])	**0.26**	0.26
- Other related parties (Refer Note 52[c5])	**0.35**	0.35
- Customers	**552.04**	614.67
- Service providers	**4.00**	3.81
Payables for Capital Goods	**39.16**	24.34
Financial Guarantee Obligation (Refer Note 48)	**5.05**	6.34
Book overdraft	**53.32**	45.85
Other payables	**1.66**	1.27
Total	**775.42**	997.84

Notes

(a) Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates with certain payables in foreign currencies. These are not designated for hedge accounting and thus are measured at fair value through profit or loss. The details of forward contract outstanding as at the reporting date are given below:

Particulars	*Currency*	***31-03-2018***	*31-03-2017*
Forward Contracts (Sell)	*USD in Crores*	***-***	*0.34*
Net (Gain)/Loss on Mark to Market in respect of forward contracts outstanding as at the reporting date	*INR in Crores*	***-***	*0.06*

Refer Note 53 for information about fair value hierarchy under Disclosure of Fair value measurements.

(b) Current maturities of Long term Borrowings comprises of maturities towards:

8.55% Non-convertible Debentures redeemable at par	***-***	*99.96*
8.70% Non-convertible Debentures redeemable at par	***-***	*99.98*
Term Loan from Banks	***45.00***	*33.32*
Interest free Deferred Sales tax liability	***69.21***	*53.41*
Total	***114.21***	*286.67*

₹ **In Crores**

The un-amortised transaction cost adjusted against current maturities as at the reporting date is Nil (PY: ₹ 0.06 Crores). The details with regard to nature of security are furnished in Note 25.

(c) Unclaimed Dividends / Fixed deposits represent amount not due for transfer to Investor Education and Protection Fund.

(d) Disputed Dividend represents amounts claimed by the dividend warrant holders, which are subject matter of pending legal disputes.

(e) The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other Income over the tenure of the corporate guarantee.

	31-03-2018	31-03-2017
NOTE 32		
OTHER CURRENT LIABILITIES		
Statutory liabilities payable	**82.49**	50.43
Advances from Customers	**60.67**	29.95
Total	**143.16**	80.38

Note

Advances from Customers are received in the normal course of business and adjusted against subsequent supplies.

NOTE 33

PROVISIONS (SHORT TERM)		
Provision for Compensated absences	**25.42**	23.46
Provision for disputed income tax liabilities	**23.01**	23.05
Total	**48.43**	46.51

Notes

(a) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

(b) Movement in Provisions for compensated absences

Carrying amount as the beginning of the year	***23.46***	*21.48*
Add: Current Service Cost	***0.75***	*0.98*
Add: Interest Cost	***1.64***	*1.68*
Add: Actuarial Loss	***1.56***	*0.72*
Less: Benefits paid	***1.99***	*1.40*
Carrying amount as at the end of the year	***25.42***	*23.46*

(c) The Company provides for income tax liability based on the various disallowances in the assessments.

(d) Movement in Provisions for disputed income tax liabilities

Carrying amount as the beginning of the year	***23.05***	*15.24*
Add: Provision reclassified from Liabilities for current tax	***4.82***	*7.81*
Less: Excess provision written back during the year	***4.86***	*-*
Carrying amount as at the end of the year	***23.01***	*23.05*

NOTE 34

DEFERRED GOVERNMENT GRANTS (CURRENT)		
Deferred Government Grants (Refer Note 28)	**1.13**	0.96
Total	**1.13**	0.96

NOTE 35

LIABILITIES FOR CURRENT TAX		
Provision for Current tax	**32.97**	4.54
Total	**32.97**	4.54

Note

Provision for current tax is after netting of advance tax / TDS of ₹ 171.57 Crores (PY: ₹ 182.46 Crores)

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 36		
REVENUE FROM OPERATIONS		
Sale of Products		
Domestic Sales		
Cement	**4,361.53**	4,366.27
Clinker	**17.91**	16.35
Dry Mortar Product	**27.05**	28.86
Ready Mix Concrete	**15.63**	7.61
Export Sales		
Cement - Direct Exports	**2.83**	33.44
Cement - Deemed Exports	**10.13**	16.89
Cement - Sale through Foreign branch	**43.01**	2.02
Other Operating Revenue		
Sale of power generated from Windmills	**66.96**	72.44
Scrap Sales	**10.02**	10.79
Industrial Promotion Assistance	**9.08**	6.50
Deferred Grant Income (Refer Note 28)	**2.16**	3.06
Total	**4,566.31**	4,564.23

Notes

(a) As per the Guidance Note on Division II, Ind AS Schedule III to the Companies Act, 2013 issued by ICAI, Revenue includes only the gross inflows of economic benefits received and receivable by the entity on its own account. Amounts collected such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they have to be excluded from revenue. On the other hand, the recovery of excise duty is an inflow that the entity receives on its own account since the Company acts as a principal in collecting the excise duty and therefore the revenue has to be grossed up to include excise duty.

(b) Goods and Service Tax (GST) has been effective from 01-07-2017. Consequently, Excise Duty, Value Added Tax (VAT), Service Tax etc. have been replaced with GST. Until 30-06-2017, 'Sale of Products' and 'Scrap Sales' include the amount of Excise Duty recovered on Sales. With effect from 01-07-2017, 'Sale of Products' and 'Scrap Sales' excludes the amount of GST recovered. Accordingly, Revenue from 'Sale of Products', 'Scrap Sales' and 'Revenue from Operations' for the year ended 31-03-2018 are not comparable with those of the previous year. However, the revenue from operations net of duties and taxes is furnished as below:

Revenue from Operations (net of GST and VAT)		***4,566.31***	*4,564.23*
Less: Excise Duty		***159.95***	*614.69*
Revenue from Operations, net of duties and taxes		***4,406.36***	*3,949.54*

(c) The Company has generated 26.24 Crore units (PY: 27.47 Crore units) net of wheeling and banking at wind farms. Out of 26.24 Crore units (PY: 27.47 Crore units) of power generated,

- Units sold to TANGEDCO for ₹ 66.96 Crores (PY: ₹ 72.44 Crores) shown under 'Sale of power generated from windmills'.	*In Crore units*	***22.24***	*23.93*
- Units consumed at the cement plants. The monetary value of such units was not recognised as it is inter-divisional transfer	*In Crore units*	***3.48***	*3.11*
- Units adjusted towards transmission loss	*In Crore units*	***0.44***	*0.39*
- Unadjusted units eligible for adjustment in subsequent periods. The monetary value of such units is ₹ 0.22 Crores (PY: ₹ 0.10 Crores) and the same is included in 'Unbilled Revenue' under 'Other Financial Assets'.	*In Crore units*	***0.08***	*0.04*

(d) Income recognised as Industrial Promotion Assistance represents amount receivable from Government of Andhra Pradesh under IDP 2015-20 Scheme.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 37		
OTHER INCOME		
Interest Income	**15.63**	26.17
Dividend Income	**0.77**	0.09
Sundry Receipts	**11.47**	2.66
Rent Receipts	**8.72**	7.81
Carbon Credit sales	**-**	0.27
Income from merchant power	**0.03**	5.55
Gain on Exchange Difference (net)	**-**	0.18
Fair value gain on Mutual Funds	**0.02**	0.05
Profit on Sale of Property, plant and equipment (net)	**-**	0.73
Total	**36.64**	43.51

Notes

(a) Interest Income include interest receivable for settlement of overdue outstandings by TANGEDCO for ₹ 2.92 Crores (PY: ₹ 15.58 Crores). Interest Income comprises of amount recognised as income from financial assets that are measured at Amortized Cost calculated using effective interest rate method.

(b) Dividend Income comprises of amount received towards securities measured at:

- Deemed Cost (Subsidiary and Associate Companies)	***0.68***	*-*
- Fair value through Profit and Loss (FVTPL)	***0.04***	*0.03*
- Fair value through Other Comprehensive Income (FVTOCI)	***0.05***	*0.06*
Total	***0.77***	*0.09*

There were no dividend income relating to investments derecognised during the reporting period.

(c) Operating lease rent receivable under non-cancellable leases for future periods from the reporting date as a Lessor:

Not Later than one year	***6.56***	*7.56*
Later than one year and not later than five years	***1.93***	*7.90*
Later than five years	***8.87***	*8.92*

(d) Sundry Receipts include Duty Drawback from Customs towards Exports of ₹ 0.29 Crores (PY: ₹ 0.32 Crores) and fair value recognition of financial guarantee contracts of ₹ 1.42 Crores (PY: ₹ 1.93 Crores).

(e) Income from merchant power is after netting off directly attributable expenses of ₹ 3.34 Crores (PY: ₹ 16.50 Crores).

NOTE 38		
COST OF MATERIALS CONSUMED		
Lime stone	**298.47**	252.78
Pozzolona Material	**99.87**	90.93
Gypsum	**34.06**	32.91
Aggregates	**18.48**	9.60
Other Additives	**71.97**	60.52
Freight & Handling - Inter unit clinker transfer	**207.26**	171.59
Material handling expenses	**6.57**	6.05
Total	**736.68**	624.38
NOTE 39		
PURCHASE OF STOCK-IN-TRADE		
Cement	**30.00**	31.07
Total	**30.00**	31.07

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

NOTE 40	31-03-2018	31-03-2017
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Closing Stock		
Finished Goods	**36.19**	40.60
Work-in-progress	**55.97**	48.48
	92.16	89.08
Opening stock		
Finished Goods	**40.60**	45.40
Work-in-progress	**48.48**	58.91
	89.08	104.31
(Increase)/Decrease in stock	**(3.08)**	15.23
Excise Duty on Stock variance (*)	**(13.02)**	(0.29)
Total	**(16.10)**	14.94

(*) It includes Excise duty on closing stock at depots amounting to ₹ 2.45 Crores which was availed as input tax credit upon transition to GST.

NOTE 41		
EXCISE DUTY ON SALE OF GOODS (Refer Note 36a & 36b)		
Excise Duty on Sale of Cement	**158.51**	608.30
Excise Duty on Sale of Clinker	**0.45**	2.18
Excise Duty on Sale of Dry Mortar Product	**0.72**	3.05
Excise Duty on Sale of Ready Mix Concrete	**0.08**	0.15
Excise Duty on Scrap Sales	**0.19**	1.01
Total	**159.95**	614.69

Note: Consequent to introduction of GST with effect from 01-07-2017, the levy of Excise duty has been subsumed into GST.

NOTE 42		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	**255.07**	232.91
Workmen and Staff welfare	**24.62**	22.52
Contribution to Provident Fund	**13.58**	12.80
Contribution to Gratuity Fund	**2.66**	2.19
Contribution to National Pension System	**1.19**	1.07
Contribution to Superannuation Fund	**6.86**	6.24
Total	**303.98**	277.73

Note: Refer Note 49 for the disclosures required under Ind AS 19.

NOTE 43		
FINANCE COSTS		
Interest on Term loans	**50.33**	61.70
Interest on Debentures	**6.26**	40.78
Exchange differences regarded as an adjustment to borrowing costs	**0.35**	-
Others	**2.27**	1.04
Total	**59.21**	103.52

Notes

(a) Interest on Term loans and Debentures represent interest calculated using the effective interest rate method.

(b) Exchange differences regarded as an adjustment to borrowing costs represent foreign exchange difference on foreign currency borrowings considered as an adjustment to borrowing costs in accordance with para 6(e) and 6A of Ind AS 23.

(c) The above Finance Costs is net of capitalised portion of ₹ 4.47 Crores (PY: Nil) attributable to the qualifying assets.

(d) Others include unwinding of discounts on provisions of ₹ 0.63 Crores (PY: ₹ 0.27 Crores)

(e) Refer Note 54 for information about Interest rate risk exposure under Financial Risk Management.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 44		
DEPRECIATION & AMORTISATION EXPENSE		
Depreciation on Property, Plant & Equipment (Refer Note 7)	**254.88**	249.87
Depreciation on Investment Property (Refer Note 9)	**3.22**	3.08
Amortization of Intangible Assets (Refer Note 10)	**34.10**	31.54
Total	**292.20**	284.49
NOTE 45		
OTHER EXPENSES		
Manufacturing Expenses		
Packing Materials consumption	**168.63**	149.86
Stores and Spares consumption	**60.77**	66.87
Repairs to Plant and equipments	**66.47**	53.30
Repairs to Buildings	**11.36**	11.81
Repairs to Vehicles and locomotives	**8.17**	8.09
General repairs	**0.29**	0.43
Establishment Expenses		
Managing Director Remuneration	**38.48**	44.42
IT & Communication expenses	**16.74**	19.12
Insurance	**10.27**	8.80
Exchange Difference (Net)	**0.05**	-
Outsourced establishment expenses	**4.89**	7.33
General Administration Expenses	**3.58**	3.22
Travelling expenses	**25.03**	17.55
Training & Development Expenses	**0.45**	0.28
Filing & Registration Fees	**0.25**	0.34
Rent	**12.74**	11.33
Miscellaneous Expenses	**10.22**	6.01
Legal and Consultancy expenses	**3.49**	2.99
Bank Charges	**0.82**	0.54
Cement Cess	**-**	0.21
Audit Fees and Expenses	**0.38**	0.34
Security Charges	**15.31**	14.79
Board Meeting expenses	**0.10**	0.06
Directors' Sitting fees	**0.24**	0.22
PPE impaired & written off	**9.43**	7.64
Donations	**0.39**	0.44
CSR expenditure	**10.93**	7.28
Input Tax Credit reversal	**1.66**	5.79
Rates and taxes	**13.67**	17.73
Loss on Sale of PPE (net)	**1.07**	-
Selling and Distribution Expenses		
Advertisement expenses	**34.92**	32.70
Sales Promotion expenses	**46.38**	40.02
Selling Agents' Commission	**14.03**	9.57
Other Selling expenses	**3.57**	2.29
Bad Debts written off	**0.42**	0.72
Total	**595.20**	552.09

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

Notes

(a) Non cancelable long term operating lease obligations for future periods from the reporting date as a Lessee

	31-03-2018	31-03-2017
Not Later than one year	***0.37***	*0.37*
Later than one year and not later than five years	***0.95***	*0.98*
Later than five years	***3.92***	*4.15*

(b) Audit Fees and Expenses (net of tax credits)

Statutory Auditors		
- Statutory Audit [include Foreign Branch Audit fees of ₹ 0.01 Crores (PY: ₹ 0.01 Crores)]	***0.23***	*0.21*
- Other Certification work	***0.02***	*0.00*
- Reimbursement of Expenses	***0.03***	*0.03*
Tax Auditors		
- Tax Audit	***0.02***	*0.02*
- Other Certification work	***0.00***	*0.01*
- Reimbursement of Expenses	***0.00***	*0.00*
Cost Auditors		
- Cost Audit	***0.04***	*0.04*
- Reimbursement of Expenses	***0.00***	*0.00*
Secretarial Auditors		
- Secretarial Audit	***0.04***	*0.03*
- Reimbursement of Expenses	***0.00***	*0.00*
Total	***0.38***	*0.34*

(c) The Company is required to spend gross CSR expenditure of ₹ 12.56 Crores for the year (PY: ₹ 7.96 Crores) in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. As against this, the company has spent ₹ 10.93 Crores (PY: ₹ 7.28 Crores) in the following categories, in cash, for the purposes other than the construction / acquisition of asset:

Rural Development Projects	***1.70***	*3.67*
Promotion of Education	***5.05***	*0.53*
Promotion of Health Care including Preventive Health Care	***1.01***	*0.67*
Protection of Art and Culture	***0.09***	*0.03*
Restoration of Building and Sites of Historical importance and Works of Art	***0.59***	*0.76*
Eradication of Hunger	***0.34***	*0.77*
Making available Safe Drinking Water	***1.08***	*0.09*
Protection of National heritage Art and culture	***0.17***	*0.19*
Promotion of Nationally recognised Sports, Rural sports & Paralympics sports	***0.71***	*0.27*
Environmental Sustainability	***0.03***	*0.01*
Vocational Skill Training	***0.03***	*0.13*
Promotion and Development of Traditional Art	***0.01***	*0.01*
Livelihood Enhancement Projects	***0.03***	*0.05*
Contribution for setting up of Homes and Hostels for Women and Orphans	***0.08***	*0.09*
Measures for the benefit of Armed forces	***0.01***	*0.01*
Total	***10.93***	*7.28*

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Chennai
23-05-2018

DISCLOSURES FORMING PART OF SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ **In Crores**

46.

Commitments	**As at 31-03-2018**	As at 31-03-2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**426.00**	98.74

47.

	Contingent Liabilities	**As at 31-03-2018**	As at 31-03-2017
47.1	Guarantees given by the bankers on behalf of company	**153.04**	89.96
47.2	Demands/Claims not acknowledged as Debts in respect of matters in appeals relating to -		
	Income Tax (Refer Note 47.2.1)	**2.99**	29.02
	VAT & Input Tax Credit, CST (Refer Note 47.2.2)	**78.83**	79.79
	Excise Duty, CENVAT Credit (Refer Note 47.2.3)	**564.70**	564.13
	Customs Duty	**-**	32.60
	Other demands (Refer Note 47.2.4 to 47.2.20)	**297.11**	298.50

47.2.1 Income tax assessments have been completed up to the accounting year ended 31-03-2014 i.e., Assessment Year 2014-15. The company has preferred appeals before appellate authorities in respect of various disallowances in assessments and the appeals are pending. As against the tax demand of ₹ 2.99 Crores (PY: ₹ 29.02 Crores), the department has adjusted ₹ 2.99 Crores (PY: ₹ 29.02 Crores) against refund due / tax credits. In the opinion of Management, there may not be any tax liability with regard to the said disallowances and the refunds so adjusted for ₹ 2.99 Crores are held in "Deposits under protest, in appeals" under other non-current assets.

47.2.2 The VAT authority in the State of Tamil Nadu has issued notices proposing to disallow input tax credit under Tamil Nadu VAT Act, 2006 for ₹ 68.32 Crores for the years 2011-12 to 2014-15. Challenging the said notices, the Company has filed writ petitions in the Madurai Bench of Madras High Court and these are pending.

In respect of other statutory appeals with the Appellate Authorities under State Sales Tax Acts / VAT Acts & CST Act in various states, as against net tax demands amounting to ₹ 10.51 Crores (PY: ₹ 11.47 Crores), a sum of ₹ 3.46 Crores (PY: ₹ 3.89 Crores) have been paid under protest. The amount paid under protest is held in "Deposits under protest, in appeals" under other non-current assets.

47.2.3 As against the levy of differential Excise Duty on cement in "Bulk & Cement supplies to industrial consumers" including penalty amounting to ₹ 262.68 Crores (PY: ₹ 252.42 Crores) demanded by the Department, denying the concession provided under relevant notifications, a sum of ₹ 262.45 Crores (PY: ₹ 252.42 Crores) remain unpaid as at 31-03-2018. The Tribunals have allowed company's appeals in this matter. The Department's appeal was also dismissed by Karnataka High court in a similar issue pertaining to another cement company. But the department has preferred an appeal before the Supreme Court against Tribunal orders in this matter. However periodical demands are being issued to the company by the department in this matter in view of pendency of its appeal in the Supreme Court. The Company has paid ₹ 0.23 Crores (PY: Nil) as pre-deposit in compliance of the interim orders by the appellate authorities and is held in "Deposits under protest, in appeals" under other non-current assets.

In respect of various disputed demands under adjudication as at 31-03-2018 for ₹ 308.72 Crores (PY: ₹ 315.34 Crores) due to disallowance of CENVAT credit on some of the inputs, capital goods, service tax on goods transports and levy of differential Excise Duty with consequential interest and penalty, a sum of ₹ 292.03 Crores (PY: ₹ 298.05 Crores) remain unpaid. The Company has paid so far ₹ 16.69 Crores (PY: ₹ 17.29 Crores) as pre-deposit in compliance of the interim orders by the appellate authorities. Out of ₹ 16.69 Crores, a sum of ₹ 6.70 Crores (PY: ₹ 3.63 Crores) were expensed and the balance amount of ₹ 9.99 Crores is held in "Deposits under protest, in appeals" under other non-current assets. Out of the disputed demands of ₹ 308.72 Crores, the Company had favourable orders from the lower authorities for ₹ 32.12 Crores (PY: ₹ 64.71 Crores) against which the Department has preferred appeals before appellate authorities.

47.2.4 TANGEDCO has raised a demand towards compensation charges of ₹ 0.92 Crores alleging that the Company has exceeded the quota of power consumption during evening peak hours. The Company has filed writ petition before the High Court of Madras and the same has been admitted. However, the Company had deposited the amount of ₹ 0.92 Crores under protest and the same is held in "Deposits under protest, in appeals" under other non-current assets.

47.2.5 Government of Karnataka has imposed Environmental Protection Fee of ₹ 5.80 crores, in connection with Company's mining leases. In the writ petitions filed by the Company and other similarly affected companies, the High Court of Karnataka, has stayed the imposition of the fee. As per the interim order, the Company has deposited a sum of ₹ 2.90 Crores (PY: ₹ 2.90 Crores) and the same is held in "Deposits under protest, in appeals" under other non-current assets.

47.2.6 The Competition Commission of India (CCI), by its order dated 31-08-2016 has imposed a penalty of ₹ 258.63 Crores on the Company for alleged cartelisation. The CCI order is pursuant to the directions issued by the Competition Appellate Tribunal (COMPAT) vide its order dated 11-12-2015 setting aside the original CCI order dated 20-06-2012 and remitting the matter to CCI for fresh adjudication of the issue. Upon appeal filed before the Competition Appellate Tribunal (COMPAT), the order of CCI has been stayed on condition that the company deposits 10% of the penalty amounting to ₹ 25.86 Crores. The same has been deposited by the company and the said deposit is classified under "Bank Balances other than Cash and Cash Equivalents". By virtue of Section 185(4) of Finance Act, 2017, the appeals pending with COMPAT were transferred to National Company Law Appellate Tribunal by the Government. The arguments were completed. The Company believes that it has a good case and hence no provision is made.

47.2.7 The Writ Petitions filed by the company in the Madras High Court against Tamil Nadu Electricity Board (TNEB) towards levy of electricity tax at 15% on the generation of power from captive generator sets using furnace oil are pending. The levy pertains to the period 01-01-1992 to 30-10-1997. The total disputed amount of ₹ 1.34 Crores has been paid under protest and the same is held in "Deposits under protest, in appeals" under other non-current assets.

47.2.8 Southern Power Distribution Company of Andhra Pradesh Limited has demanded an amount of ₹ 0.32 Crores towards alleged excess load factor incentives allowed by them. The Company has filed an appeal before High Court of Andhra Pradesh and obtained an order of interim stay.

47.2.9 Andhra Pradesh Transmission Corporation Limited (APTRANSCO) has levied ₹ 5.91 Crores as Fuel Surcharge Adjustment (FSA) for the period from Apr 2008 to Dec 2012. Out of that, the company has paid and expensed ₹ 3.85 Crores and the balance amount of ₹ 2.06 Crores is not presently enforceable for the reasons that a part of the amount is covered in the appeal filed by the APTRANSCO before Supreme Court and the interim order granted in favour of the company by the AP High court. APERC has ordered that this FSA is not leviable from Jan 2013 onwards.

47.2.10 The Director of Geology & Mining, Government of Tamil Nadu had raised additional Royalty demand on limestone, based on production of cement by the company instead of basing it on actual quantity of limestone mined. The demand for the company is ₹ 9.66 Crores for the period from the year 1989 to year 2001. In the Writ petitions filed by the company and other similarly affected companies, the Madras High court has stayed the demands of the Government.

47.2.11 Water Resources Department of Public Works Department, Government of Tamil Nadu had raised a demand of ₹ 1.13 Crores contending that water charges are to be paid on the contracted quantity and not on the actual quantity of water drawn by the company from Arjuna River in Virudhunagar District. The demand pertains to the period from the year 1990 to year 2009. The company has obtained interim stay from the High Court of Madras. As per the interim order, the Company has deposited a sum of ₹ 0.30 Crores with the Department and the same is held in "Deposits under protest, in appeals" under other non-current assets.

47.2.12 Environment, Forests Science & Technology Department, Government of Andhra Pradesh has increased the Royalty on the Limestone mined from the Forest Area from ₹ 5/- per permit to ₹ 10/- per ton from the year 2010-11 onwards. The company filed a writ petition before the High Court of Andhra Pradesh and obtained an interim order, to pay 1/3rd of the demand. As per the Court order, the company has paid and expensed ₹ 1.57 Crores, being the 1/3rd portion up to 31-03-2017. The balance amount of ₹ 3.15 Crores being 2/3rd portion remain unpaid.

47.2.13 New Industries set up in Tamil Nadu were eligible for Power Tariff Concession as per G.O.Ms. No.29 dated 31-01-1995, which was sought to be withdrawn to Industries set up after 14-02-1997 as per G.O.Ms. No.17 dated 14-02-1997. The eligibility for Power Tariff Concession for Alathiyur unit became a dispute between the Company and TNEB. Based on the interim order of the High Court of Madras, the Company had availed power tariff concession to the tune of ₹ 11.41 Crores and sought refund of unavailed concession of ₹ 1.80 Crores. The matter was finally settled by the Supreme Court, vide its judgement dated 16-05-2008, wherein it laid down criteria for ascertaining the eligibility for Power Tariff Concession for new industries and directed the TNEB to decide the eligibility for the Company based on the said criteria. However, vide its order dated 30-06-2008, the

TNEB sought to introduce new criteria not enumerated in the Supreme Court judgement. Aggrieved, the Company filed a writ petition (WP No: 16348 of 2008) before the High Court of Madras, which by its judgement dated 13-11-2008 set aside the additional criteria not mentioned in the Supreme Court Judgement and confirmed the eligibility of Power Tariff Concession for the Company. TNEB has filed a writ appeal (WA No: 629 of 2010) in the High Court of Madras against the said order seeking disentitlement of power tariff concession already availed. The matter is pending before the High Court of Madras.

47.2.14 Under Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligations) Regulations, 2010, consumers owning grid connected captive power generating plants and open access consumers with a sanctioned demand of more than 2 MVA are obligated to consume a minimum of 9% and 0.5% of their energy requirements from wind and solar sources respectively. The non-complainants are required to purchase Renewable Energy Certificates (REC) from markets @ 1 REC per 1000 units of shortage or deposit an equivalent amount in a separate designated fund. Even though the Company is consuming wind energy generated from its wind farms, it has been excluded for reckoning the obligatory consumption, since the company has wheeling and banking arrangement with TNEB. Aggrieved, the Company including other affected producers have approached the Madras High Court and obtained an interim stay against the implementation of the said regulation.

47.2.15 TANGEDCO has levied "Scheduling & System Operation charges" for windmills under "Sale to Board" category at ₹ 600 per day per 2 MW based on their internal circular dated 25-11-2014. The annual impact of "Scheduling & System Operation charges" will be ₹ 1.02 Crores. The Company has filed a Writ Petition before the Madras High Court challenging the collection of said charges and obtained an interim stay against the "Scheduling & System Operation charges".

47.2.16 The Company had purchased around 40.36 acres of lands in Tamil Nadu after verification of title documents based on revenue records of the year 1987 as basis. Thereafter, the revenue officials verified the title documents and transferred the patta in the name of the Company. While this being so, the Sub-Collector, Ariyalur, by the order dated 10-02-2015, cancelled the said patta and reclassified the said land as Government poromboke 'Anadheenam lands' by placing reliance on revenue records of the year 1927. The Company has filed a Writ Petition before the Madras High Court challenging the said cancellation of patta and obtained an interim stay.

47.2.17 TANGEDCO had raised a demand of ₹ 4.28 Crores towards alleged incorrect adjustments of wind energy based on its Audit objections. Against the above demand, a sum of ₹ 2.54 crores was appropriated by TANGEDCO from the Company's Deposits with them and balance amount of ₹ 1.74 crores remain unpaid. The amount appropriated is held in "Deposits under protest, in appeals" under other non-current assets. The Company has challenged the said demand before the TNERC by filing a Petition on 30-05-2014 and the same is pending before the Commission.

47.2.18 The Department of Mines and Geology, Government of Karnataka by its order dated 31-10-2014 withdraw its mining lease granted to the company already granted for 30 hectares of forest land on a technical ground. Based on the writ petition filed by the company, the Honourable Karnataka High court has directed the State Government to consider the company's representation. The Government vide its order dated 10-01-2016 has rejected the company's representation. Aggrieved by the said order, the Company has again filed a writ petition before the Honourable Karnataka High Court and the same is pending.

47.2.19 The Special Deputy Collector (Stamps), Ariyalur had issued a notice demanding an amount of ₹ 0.65 Crores for alleged deficiency in stamp duty in purchase of lands. Against the demand, the Company filed an appeal before Honourable High Court of Madras and it is pending.

47.2.20 As per the Grid Connectivity and Intra State Open Access Regulations, the TNERC has authorised TANGEDCO to collect Parallel Operation Charges of ₹ 30,000/- per MW from the power generators whoever availing only parallel operation with grid but without availing open access. Even though the Company had open access approval, TANGEDCO had sent demand notice for parallel operation charges for a sum of ₹ 9.17 Crores levied retrospectively from 07-05-2014 to 31-12-2016. The Company has filed writ petition in the Honourable High Court of Madras and obtained the final order directing the TANGEDCO to settle the matter in TNERC within a reasonable period.

₹ In Crores

48.

Financial Guarantees	**As at 31-03-2018**	**As at 31-03-2017**
Guarantees given to banks to avail loan facilities by Related parties:		
- Thanjavur Spinning Mill Limited	**12.50**	12.50
- Raja Charity Trust	**100.00**	100.00
- Ramco Windfarms Limited	**23.50**	23.50

49. As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

₹ In Crores

Defined Contribution Plan

Particulars	**31-03-2018**	**31-03-2017**
Employer's Contribution to Provident Fund	**13.58**	12.80
Employer's Contribution to National Pension System (NPS)	**1.19**	1.07
Employer's Contribution to Superannuation Fund	**6.86**	6.24

Defined Benefit Plan - 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 read with Payment of Gratuity Act 1972. This is a defined benefit plan in nature. The Company makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of 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.

Defined Benefit Plan (Gratuity) and Other Long term benefits (Compensated Absences)

Particulars	**Gratuity Plan (Funded)**		**Compensated Absences (Unfunded)**	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017
Reconciliation of Opening and Closing balances of Present Value of Obligation				
As at the beginning of the year	**46.92**	39.76	**23.46**	21.48
Current Service Cost	**2.78**	2.44	**0.75**	0.98
Interest Cost	**3.33**	3.16	**1.64**	1.68
Actuarial Loss	**0.42**	3.12	**1.56**	0.72
Benefits paid	**(-)2.69**	(-) 1.56	**(-) 1.99**	(-) 1.40
As at the end of the year	**50.76**	46.92	**25.42**	23.46
Reconciliation of Opening and Closing balances of Fair Value of Plan Assets				
As at the beginning of the year	**46.92**	39.76	**Nil**	Nil
Expected Return on Plan Assets	**3.43**	3.39	**Nil**	Nil
Actuarial Loss	**0.15**	(-) 0.45	**Nil**	Nil
Employer contribution	**2.95**	5.78	**1.99**	1.40
Benefits paid	**(-)2.69**	(-) 1.56	**(-) 1.99**	(-) 1.40
As at the end of the year	**50.76**	46.92	**Nil**	Nil
Actual Return on Plan Assets				
Expected Return on Plan Assets	**3.43**	3.39	**Nil**	Nil
Actuarial Loss on Plan Assets	**0.15**	(-) 0.45	**Nil**	Nil
Actual Return on Plan Assets	**3.58**	2.94	**Nil**	Nil

Particulars	Gratuity Plan (Funded)		Compensated Absences (Unfunded)	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017

Reconciliation of Fair Value of Assets and Obligations

Fair Value of Plan Assets	**50.76**	46.92	**Nil**	Nil
Present value of Obligation	**50.76**	46.92	**25.42**	23.46
Difference	**Nil**	Nil	**25.42**	23.46
Amount recognized in Balance Sheet	**Nil**	Nil	**25.42**	23.46

Expense recognized during the year

Current Service Cost	**2.78**	2.44	**0.75**	0.98
Net Interest on obligations	**(-) 0.12**	(-) 0.23	**1.64**	1.68
Actuarial Loss / (Gain) recognised during the year	**Nil**	Nil	**1.56**	0.72
Past service cost	**Nil**	Nil	**Nil**	Nil
Expenses recognised in Statement of Profit and Loss	**2.66**	2.21	**3.95**	3.38

Note: Expenses recognised in Statement of Profit and Loss in respect of Gratuity Plan include ₹ 0.01 Crores (PY: 0.02) pertaining to amount contributed in respect of Subsidiary company. However, the same was recovered from Subsidiary and credited to Contribution to Gratuity Fund.

Amount recognised in the Other Comprehensive Income

Actuarial changes arising from:				
- Experience adjustments on Plan liabilities	**1.93**	1.43	**Nil**	Nil
- Experience adjustments on Plan Assets	**(-) 0.15**	0.45	**Nil**	Nil
- Changes in financial assumptions	**(-) 1.50**	1.69	**Nil**	Nil
- Changes in demographic assumptions	**-**	-	**Nil**	Nil
Amount recognised in OCI during the year	**0.28**	3.57	**Nil**	Nil

Investment Details

Funds with LIC	**47.05**	43.77	**Nil**	Nil
Bank balance	**0.01**	-	**Nil**	Nil
Interest, IT refund receivable and Others	**3.70**	3.15	**Nil**	Nil
Total	**50.76**	46.92	**Nil**	Nil

Actuarial assumptions

LIC 1996-98 Table applied for service mortality rate	**Yes**	Yes	**Yes**	Yes
Discount rate p.a	**8.00%**	7.30%	**8.00%**	7.30%
Expected rate of Return on Plan Assets p.a	**8.00%**	7.30%	**Nil**	Nil
Rate of escalation in salary p.a	**3.50%**	3.25%	**3.50%**	3.25%
Rate of Employee turnover	**1.00%**	1.00%	**1.00%**	1.00%

Particulars	Gratuity Plan (Funded)		Compensated Absences (Unfunded)	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017

Estimate of Expected Benefit Payments

Year 1	**8.38**	7.35	**3.85**	3.41
Year 2	**10.18**	8.71	**4.92**	4.16
Year 3	**4.14**	3.39	**1.76**	1.62
Year 4	**4.45**	3.75	**1.83**	1.59
Year 5	**5.55**	4.01	**2.34**	1.65
Next 5 years	**20.97**	20.34	**9.05**	8.61

Gratuity Plan (Funded)	**31-03-2018**	31-03-2017
Enterprise's best estimate of contribution during next 12 months	**2.86**	2.94
Average Duration of defined benefit obligations (in years)	**7.20**	7.50

Quantitative Sensitivity Analysis for significant assumptions

Particulars	Effect on Gratuity Obligation		Effect on provision for Compensated Absences	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017
0.50% Increase in Discount Rate	**49.15**	45.34	**24.62**	22.69
0.50% Decrease in Discount Rate	**52.48**	48.61	**26.26**	24.28
0.50% Increase in Salary Growth Rate	**52.57**	48.69	**26.29**	24.31
0.50% Decrease in Salary Growth Rate	**49.05**	45.26	**24.58**	22.66
0.50% Increase in Attrition Rate	**51.46**	47.53	**25.73**	23.74
0.50% Decrease in Attrition Rate	**50.03**	46.28	**25.08**	23.17

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

50. Earnings per Share **₹ In Crores**

Particulars	**31-03-2018**	31-03-2017
Net profit after tax (A)	**555.66**	649.29
Weighted average number of Equity shares including un-allotted Bonus shares (B) [In Crores]	**23.69**	23.83
Nominal value per equity share (in ₹)	**1**	1
Basic & Diluted Earnings per share (A)/(B) in ₹	**23**	27

51. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2018:

(a) Subsidiary

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2018	31-03-2017
Ramco Windfarms Limited	India	**71.50**	71.50

(b) Associates

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2018	31-03-2017
Ramco Industries Limited	India	**15.43**	15.43
Ramco Systems Limited	India	**17.74**	17.82
Rajapalayam Mills Limited	India	**0.35**	0.35
Sri Vishnu Shankar Mill Limited	India	**0.14**	0.14
Madurai Trans Carrier Limited	India	**29.86**	29.86
Lynks Logistics Limited	India	**48.78**	45.57

(c) Key Management Personnel (Including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
P.R. Ramasubrahmaneya Rajha	Chairman and Managing Director *(upto 11-5-2017)*
P.R. Venketrama Raja	Chairman and Managing Director *(from 04-06-2017)*
A.V. Dharmakrishnan	Chief Executive Officer
S. Vaithiyanathan	Chief Financial Officer
K. Selvanayagam	Company Secretary
R.S. Agarwal	Independent Director
M.B.N. Rao	Independent Director
M.M. Venkatachalam	Independent Director
Justice Chitra Venkataraman (Retd.)	Independent Director
M.F. Farooqui	Independent Director

(d) Relative of Key Management Personnel

Name of the Relative of KMP	Relationship
A.V. Dharmakrishnan (HUF)	A. V. Dharmakrishnan, Karta for HUF
R. Nalina Ramalakshmi	Daughter of P.R. Ramasubrahmaneya Rajha
S. Sharada Deepa	Daughter of P.R. Ramasubrahmaneya Rajha
B. Sri Sandhya Raju	Daughter of P.R.Venketrama Raja
P.V. Abinav Ramasubramaniam Raja	Son of P.R. Venketrama Raja

(e) Companies over which KMP/Relatives of KMP exercise significant influence

Rajapalayam Textile Limited	Thanjavur Spinning Mill Limited
Sandhya Spinning Mill Limited	The Ramaraju Surgical Cotton Mills Limited
Sri Harini Textiles Limited	Shri Harini Media Limited
JKR Enterprise Limited	Ontime Industrial Services Limited
Ramco Management Private Limited	Sudharsanam Investments Limited

(f) Employee Benefit Funds where control exists

The Ramco Cements Limited Officers' Superannuation Fund
The Ramco Cements Limited Employees' Gratuity Fund

(g) Other entities over which there is a significant influence

Smt. Lingammal Ramaraju Shastra Prathishta Trust	Gowrishankar Screws
PACR Sethuramammal Charity Trust	PACR Sethuramammal Charities
Ramco Welfare Trust	PAC Ramasamy Raja Education Charity Trust
Raja Charity Trust	Rajapalayam Rotary Trust
Shri Abhinava Vidya Theertha Seva Trust	Nachiar Charity Trust
Gowrihouse Metal Works	PAC Ramasamy Raja Centenary Trust
R. Sudarsanam & Co.	The Ramco Cements Limited Educational and Charitable Trust

52. Disclosure in respect of Related Party Transactions (excluding Reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent **₹ In Crores**

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
1	**Sale of Goods – Cement**		
	Associates		
	Ramco Industries Limited	**9.91**	12.46
	Rajapalayam Mills Limited	**0.10**	0.04
	Sri Vishnu Shankar Mill Limited	**0.03**	0.03
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	**0.03**	0.01
	Thanjavur Spinning Mill Limited	**0.01**	0.01
	Sri Harini Textiles Limited	**0.00**	0.00
	The Ramaraju Surgical Cotton Mills Limited	**0.04**	0.93
	Rajapalayam Textile Limited	**0.01**	-
	JKR Enterprise Limited	**0.17**	0.14
	Other entities over which there is a significant influence		
	Gowrihouse Metal Works	**0.00**	0.00
	Total	**10.30**	13.62

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
2	**Sale of Goods – Fly ash**		
	Associates		
	Ramco Industries Limited	**0.42**	0.03
	Total	**0.42**	0.03
3	**Sale of Goods – Dry Mortar Product**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	**-**	0.03
	Total	**-**	0.03
4	**Sale of Goods - Clinker**		
	Associates		
	Ramco Industries Limited *(including taxes of ₹ 2.92 Crores; PY: ₹ 0.98 Crores)*	**16.08**	17.33
	Total	**16.08**	17.33
5	**Purchase of Goods – Cement**		
	Associates		
	Ramco Industries Limited *(including taxes of ₹ 7.09 Crores; PY: ₹ 4.38 Crores)*	**37.09**	35.45
	Total	**37.09**	35.45
6	**Purchase of Goods – Fibre Sheet and Silicate Boards, Packing materials & Raw materials**		
	Associates		
	Ramco Industries Limited	**1.98**	0.33
	Total	**1.98**	0.33
7	**Purchase of Goods – Diesel and Petrol**		
	Other entities over which there is a significant influence		
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	**0.25**	0.22
	PACR Sethuramammal Charity Trust	**0.61**	0.65
	Ramco Welfare Trust	**0.58**	0.35
	PAC Ramasamy Raja Centenary Trust	**0.08**	-
	PACR Sethuramammal Charities	**0.30**	0.24
	Total	**1.82**	1.46
8	**Purchase of Goods – Magazine**		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Shri Harini Media Limited	**0.27**	0.28
	Total	**0.27**	0.28
9	**Purchase of Goods – Stores and Spares**		
	Subsidiary Company		
	Ramco Windfarms Limited	**-**	0.02
	Other entity over which there is a significant influence		
	R. Sudarsanam & Co.	**0.02**	0.02
	Companies over which KMP / Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	**-**	0.00
	Total	**0.02**	0.04

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
10	**Receiving of Services – Transportation**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**32.75**	38.15
	Total	**32.75**	38.15
11	**Receiving of Services – Manpower Supply**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**5.74**	9.25
	Total	**5.74**	9.25
12	**Receiving of Services – Advertisement**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Shri Harini Media Limited	**0.06**	0.05
	Total	**0.06**	0.05
13	**Receiving of Services – Software Related Services**		
	Associates		
	Ramco Systems Limited	**15.63**	21.11
	Total	**15.63**	21.11
14	**Receiving of Services – Aircraft Charter Services**		
	Associates		
	Madurai Trans Carrier Limited	**16.43**	7.04
	Total	**16.43**	7.04
15	**Loans and Advances outstanding received during the year (excluding Trade Advances)**		
	Subsidiary		
	Ramco Windfarms Limited	**3.59**	0.52
	Total	**3.59**	0.52
16	**Usage charges received for Power Consumed by virtue of Joint Ownership of Shares with APGPCL**		
	Associates		
	Rajapalayam Mills Limited	**0.04**	0.02
	Sri Vishnu Shankar Mill Limited	**0.04**	0.02
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	**0.03**	0.02
	Sri Harini Textiles Limited	**0.03**	0.02
	The Ramaraju Surgical Cotton Mills Limited	**0.03**	0.02
	Total	**0.17**	0.10
17	**Leasing Arrangements – Rent Received**		
	Subsidiary		
	Ramco Windfarms Limited	**0.07**	0.07
	Associates		
	Ramco Systems Limited	**8.32**	8.15
	Rajapalayam Mills Limited	**0.10**	-
	Lynks Logistics Limited	**0.92**	0.09
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**0.00**	0.00
	Other entity over which there is a significant influence		
	Raja Charity Trust	**0.47**	0.39
	Total	**9.88**	8.70

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
18	**Leasing Arrangements – Rent Paid**		
	Associates		
	Ramco Industries Limited	**0.01**	0.00
	Relative of Key Management Personnel		
	A.V. Dharmakrishnan (HUF)	**0.07**	0.05
	Other entity over which there is a significant influence		
	Raja Charity Trust	**0.00**	0.00
	Total	**0.08**	0.05
19	**Dividend received**		
	Associates		
	Ramco Industries Limited	**0.67**	-
	Rajapalayam Mills Limited	**0.01**	-
	Total	**0.68**	-
20	**Dividend Paid**		
	Key Management Personnel		
	P.R. Venketrama Raja	**0.58**	-
	A.V. Dharmakrishnan	**0.01**	-
	S. Vaithiyanathan	**0.00**	-
	Associates		
	Ramco Industries Limited	**14.79**	-
	Rajapalayam Mills Limited	**9.87**	-
	Sri Vishnu Shankar Mill Limited	**1.17**	-
	Companies over which KMP / Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	**1.09**	-
	Sudharsanam Investments Limited	**0.89**	-
	Ramco Management Private Limited	**0.14**	-
	Total	**28.54**	-
21	**Remuneration to Key Management Personnel (Other than Sitting Fees)**		
	P.R. Ramasubrahmaneya Rajha, Chairman & Managing Director	**4.61**	44.42
	P.R.Venketrama Raja, Chairman & Managing Director	**33.87**	-
	A.V. Dharmakrishnan, Chief Executive Officer	**11.91**	10.98
	S. Vaithiyanathan, Chief Financial Officer	**1.16**	0.89
	K. Selvanayagam, Company Secretary	**0.90**	0.81
	Total	**52.45**	57.10
22	**Directors' Sitting Fees**		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	**-**	0.02
	P.R. Venketrama Raja	**0.06**	0.05
	R.S. Agarwal	**0.05**	0.05
	M.B.N. Rao	**0.04**	0.04
	M.M. Venkatachalam	**0.05**	0.04
	M.F. Farooqui	**0.02**	-
	Smt. Justice Chitra Venkataraman (Retd.)	**0.02**	0.02
	Total	**0.24**	0.22

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
23	**Purchase of Fixed Assets**		
	Associates		
	Ramco Industries Limited	**18.84**	-
	Total	**18.84**	-
24	**Sale of Fixed Assets**		
	Associates		
	Madurai Trans Carrier Limited	**0.07**	-
	Lynks Logistics Limited	**0.48**	-
	Sri Vishnu Shankar Mill Limited	**-**	0.33
	The Ramco Cements Limited Educational and Charitable Trust	**-**	0.24
	Total	**0.55**	0.57
25	**Interest Received/(Paid)**		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha - Interest Rate – 6.75% (PY : 7.50%)	**(0.22)**	(0.76)
	P.R. Venketrama Raja – Interest Rate – 6.75%	**(0.18)**	-
	Subsidiary		
	Ramco Windfarms Limited – Interest Rate -10% (PY: 10%)	**2.99**	3.27
	Total	**2.59**	2.51
26	**CSR/Donations given**		
	Other entities over which there is a significant influence		
	PACR Sethuramammal Charity Trust	**-**	0.03
	Total	**-**	0.03
27	**Contribution to Superannuation Fund/Gratuity Fund**		
	Employee Benefit Funds where Control Exists		
	The Ramco Cements Limited Officers' Superannuation Fund	**6.86**	6.24
	The Ramco Cements Limited Employees' Gratuity Fund	**2.94**	5.76
	Total	**9.80**	12.00
28	**Investment in Equity Shares during the year**		
	Associates		
	Lynks Logistics Limited	**10.11**	3.00
	Total	**10.11**	3.00
29	**Maximum amount of loans and advances outstanding during the year**		
	Subsidiary		
	Ramco Windfarms Limited	**33.59**	36.37
	Total	**33.59**	36.37

b. Transactions during the year not on Arm's length basis

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
1	**Sale of Goods – Cement**		
	Other entities over which there is a significant influence		
	Raja Charity Trust	**0.01**	0.04
	PAC Ramasamy Raja Education Charity Trust	**0.04**	0.05
	Rajapalayam Rotary Trust	**0.05**	0.00
	PACR Sethuramammal Charities	**0.00**	0.03
	PACR Sethuramammal Charity Trust	**0.01**	-
	PAC Ramasamy Raja Centenary Trust	**-**	0.02
	Total	**0.11**	0.14

c. Outstanding balances including commitments

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2018	31-03-2017
1	**Trade Receivables**		
	Associates		
	Ramco Industries Limited	**-**	0.04
	Other entities over which there is a significant influence		
	PACR Sethuramammal Charities	**-**	0.00
	Total	**-**	0.04
2	**Payables**		
	Associates		
	Ramco Systems Limited	**-**	0.02
	Total	**-**	0.02
3	**Loans and Advances**		
	Subsidiary		
	Ramco Windfarms Limited	**27.83**	31.42
	Associates		
	Ramco Industries Limited	**-**	0.00
	Madurai Trans Carrier Limited	**11.59**	10.24
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**6.37**	5.24
	Other entities over which there is a significant influence		
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	**0.63**	0.82
	PACR Sethuramammal Charity Trust	**0.72**	-
	Ramco Welfare Trust	**1.14**	1.27
	PAC Ramasamy Raja Centenary Trust	**0.31**	-
	Total	**48.59**	48.99

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2018	31-03-2017
4	**Borrowings**		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	**-**	17.35
	P.R. Venketrama Raja	**0.32**	-
	Total	**0.32**	17.35
5	**Security Deposits received by virtue of Joint Ownership of shares with APGPCL**		
	Associates		
	Rajapalayam Mills Limited	**0.13**	0.13
	Sri Vishnu Shankar Mill Limited	**0.12**	0.12
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	**0.12**	0.12
	Sri Harini Textiles Limited	**0.12**	0.12
	The Ramaraju Surgical Cotton Mills Limited	**0.11**	0.11
	Total	**0.60**	0.60
6	**Security Deposit received towards lease arrangement**		
	Associates		
	Lynks Logistics Limited	**0.01**	0.01
	Total	**0.01**	0.01
7	**Corporate Guarantees given to lenders of Related parties**		
	Subsidiary		
	Ramco Windfarms Limited	**23.50**	23.50
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Thanjavur Spinning Mill Limited	**12.50**	12.50
	Other entity over which there is a significant influence		
	Raja Charity Trust	**100.00**	100.00
	Total	**136.00**	136.00
8	**Capital Commitments**		
	Associates		
	Ramco Systems Limited (net of taxes)	**5.36**	-
	Total	**5.36**	-

Note

The above outstanding balances at the respective reporting dates are unsecured and settlement occurs in cash or through provision of goods / services, in case of unadjusted advances.

Disclosure of Key Management Personnel compensation in total and for each of the following categories: **₹ in Crores**

Particulars	**31-03-2018**	31-03-2017
Short – Term Benefits (1)	**52.20**	56.93
Defined Contribution Plan (2)	**0.49**	0.39
Defined Benefit Plan / Other Long-term benefits	**Refer Note 3 below**	
Total	**52.69**	57.32

1. *It includes bonus, sitting fees, and value of perquisites.*
2. *It includes contribution to Provident fund and Superannuation fund*
3. *As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.*

53 Disclosure of Fair value measurements

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category **₹ in Crores**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2018					
Financial Assets					
Other Investments	-	0.51	26.86	27.37	27.37
Loans	72.94	-	-	72.94	72.94
Trade Receivables	442.31	-	-	442.31	442.31
Cash and Bank Balances	119.41	-	-	119.41	119.41
Other Financial Assets	73.37	-	-	73.37	73.37
Financial Liabilities					
Borrowings	1,113.16	-	-	1,113.16	1,113.16
Trade Payables	267.14	-	-	267.14	267.14
Other Financial Liabilities	661.21	-	-	661.21	661.21
As at 31-03-2017					
Financial Assets					
Other Investments	-	0.45	26.08	26.53	26.53
Loans	73.55	-	-	73.55	73.55
Trade Receivables	554.90	-	-	554.90	554.90
Cash and Bank Balances	118.08	-	-	118.08	118.08
Other Financial Assets	41.04	-	-	41.04	41.04
Financial Liabilities					
Borrowings	1,424.81	-	-	1,424.81	1,424.81
Trade Payables	255.79	-	-	255.79	255.79
Other Financial Liabilities	711.11	0.06	-	711.17	711.17

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below: **₹ in Crores**

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2018	4.74	-	-	4.74
As at 31-03-2017	3.96	-	-	3.96
Investment in unlisted securities				
As at 31-03-2018	-	-	22.12	22.12
As at 31-03-2017	-	-	22.12	22.12
Financial Instruments at FVTPL				
Investment in mutual funds				
As at 31-03-2018	0.51	-	-	0.51
As at 31-03-2017	0.45	-	-	0.45
Foreign exchange forward contracts				
As at 31-03-2018	-	-	-	-
As at 31-03-2017	-	0.06	-	0.06

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at 31st March in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets plus Cost Savings in operations of business based on Discounted cash flow method
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker

54. Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company maintains adequate security deposits from its customers in case of wholesale and retail segment. In case of institutional segment, credit risks are mitigated by way of enforceable securities. The exposures with the Government are generally unsecured but they are considered as good. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

₹ in Crores

Particulars	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
As at 31-03-2018					
Gross carrying amount	329.18	27.80	14.37	80.88	452.23
Expected Loss Rate	0.04%	0.70%	6.75%	10.66%	2.19%
Expected Credit Losses	0.13	0.20	0.97	8.62	9.92
Carrying amount of trade receivables net of impairment	329.05	27.60	13.40	72.26	442.31
As at 31-03-2017					
Gross carrying amount	367.10	56.01	10.87	130.84	564.82
Expected Loss Rate	0.05%	0.50%	2.75%	7.00%	1.76%
Expected Credit Losses	0.18	0.28	0.30	9.16	9.92
Carrying amount of trade receivables net of impairment	366.92	55.73	10.57	121.68	554.90

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with banks, and also investments made in mutual funds. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Company has access to the following undrawn borrowing facilities: **₹ in Crores**

Particulars	**31-03-2018**	31-03-2017
Expiring within one year		
Bank Overdraft and other facilities	**401.35**	405.14
Term Loans	**-**	-
Expiring beyond year		
Term Loans	**-**	-

Maturities of Financial Liabilities **₹ in Crores**

Nature of Financial Liability	**< 1 Year**	**1 – 5 Years**	**>5 years**	**Total**
As at 31-03-2018				
Borrowings from Banks / Debentures	627.64	45.00	-	672.64
Soft Loan from Government	-	30.74	114.37	145.11
Deferred Sales Tax Liability	69.21	217.89	26.95	314.05
Trade payables	267.14	-	-	267.14
Security Deposits payable	556.65	-	-	556.65
Other Financial Liabilities	104.56	-	-	104.56
As at 31-03-2017				
Borrowings from Banks / Debentures	867.83	66.68	-	934.51
Soft Loan from Government	-	-	139.37	139.37
Deferred Sales Tax Liability	53.41	232.65	81.40	367.46
Trade payables	255.79	-	-	255.79
Security Deposits payable	619.09	-	-	619.09
Other Financial Liabilities	92.08	-	-	92.08

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of capital goods, spares and fuel, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/ outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company's exposure to foreign currency risk (unhedged) as detailed below:

Currency	Trade Payables	Trade and other Receivables	Balance with Banks
USD in Millions			
As at 31-03-2018	1.65	-	0.03
As at 31-03-2017	3.77	1.53	-
EURO in Millions			
As at 31-03-2018	0.94	-	-
As at 31-03-2017	0.02	-	-
JPY in Millions			
As at 31-03-2018	1.76	-	-
As at 31-03-2017	1.76	-	-
LKR in Millions			
As at 31-03-2018	35.94	126.65	28.83
As at 31-03-2017	30.67	43.18	1.59

Risk sensitivity on foreign currency fluctuation **₹ in Crores**

Foreign Currency	31-03-2018		31-03-2017	
	1 % Increase	**1% decrease**	1% increase	1% decrease
USD	**(-) 0.11**	**0.11**	(-) 0.15	0.15
EURO	**(-) 0.08**	**0.08**	-	-
JPY	**(-) 0.11**	**0.11**	(-) 0.10	0.10
LKR	**0.29**	**(-) 0.29**	0.03	(-) 0.03

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure **₹ in Crores**

Particulars	**31-03-2018**	31-03-2017
Variable rate borrowings	**102.00**	100.00
Fixed rate borrowings	**697.11**	973.88
Interest free borrowings	**314.05**	367.46

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation **₹ in Crores**

Total Interest Cost works out to	**31-03-2018**	31-03-2017
1% Increase in Interest Rate	**59.69**	105.36
1% Decrease in Interest Rate	**58.73**	101.69

55. Events after the reporting period – Distribution made and proposed **₹ in Crores**

Particulars	**31-03-2018**	31-03-2017
Cash Dividends on Equity Shares declared and paid		
Final dividend for the year ended 31st March 2017: ₹ 3/- per share (PY: Nil)	**70.75**	-
Dividend Distribution Tax on Proposed Dividend	**14.40**	-
Proposed Dividends on Equity Shares		
Final dividend for the year ended 31st March 2018: ₹ 3/- per share (PY: ₹ 3/- share)	**70.74**	70.75
Dividend Distribution Tax on Proposed Dividend	**14.54**	14.40

56. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt.

₹ in Crores

Particulars	**31-03-2018**	31-03-2017
Long Term Borrowings	**416.31**	503.63
Current maturities of Long term borrowings	**114.21**	286.67
Short Term Borrowings	**582.64**	634.51
Less: Cash and Cash Equivalents	**88.21**	81.65
Net Debt (A)	**1,024.95**	1,343.16
Equity Share Capital	**23.56**	23.81
Other Equity	**4,018.62**	3,717.70
Total Equity (B)	**4,042.18**	3,741.51
Total Capital Employed (C) = (A) + (B)	**5,067.13**	5,084.67
Capital Gearing Ratio (A) / (C)	**20%**	26%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2018 and 31-03-2017.

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of The Ramco Cements Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements drawn in accordance with the Indian Accounting Standards ("the Consolidated Financial Statements") of The Ramco Cements Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and the share of profit/loss of its associates. These Consolidated Financial Statements comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year ended 31st March 2018 and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013, ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flow and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India and including the Indian Accounting Standards specified under Section 133 of the Act, read with applicable Rules there under. The respective Board of Directors of the Companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards, of the consolidated state of affairs (financial position) of the Group including the effect of share in the profit of its associates as at 31st March 2018, and their consolidated profit (financial performance including other comprehensive income) including the share in the profit of its associates, their consolidated cash flows and consolidated statement of changes in equity for the year ended on 31st March 2018.

Other Matters

The Consolidated Financial Statements include financial performance of a foreign branch which reflects total assets of ₹ 9.07 Crores, total revenue of ₹ 43.01 Crores and net cash inflow amounting to ₹ 1.14 Crores for the year ended on 31st March 2018, which was audited by Independent Auditors in accordance with the regulations of that country and whose report has been furnished to us and has been considered in the Consolidated Financial Statements solely based on such audited financial statements. Our opinion is not modified in respect of this matter.

The Consolidated Financial Statements reflects the Group's share of total assets of ₹ 48.49 Crores as at 31st March 2018, the total revenue of ₹ 17.45 crores and net cash inflow of ₹ -1.23 Crores for the year ended 31st March 2018 of the subsidiary, which was audited by another independent auditor whose report has been furnished to us.

We did not audit the financial statements of Six associate companies included in the consolidated financial results year to date, whose consolidated financial statements reflects the total comprehensive income of ₹ 7.29 crores for the year ended 31st March 2018. These financial statements as per Ind AS and other financial information are unaudited and have been furnished to us by the management, and our opinion is based solely on the

financial results year to date, to the extent they have been derived from such unaudited financial statements.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is based on the financial statements/financial information certified by the Management.

We draw attention to Note 47.2.6 of the Disclosures forming part of the Separate Financial Statements of the holding company, relating to the Order of the Competition Commission of India (CCI) dated 31-08-2016, imposing a penalty of ₹ 258.63 Crores on the Company for alleged cartelisation. The CCI order is pursuant to the directions issued by the Competition Appellate Tribunal (COMPAT) vide its Order dated 11-12-2015 setting aside the original CCI order dated 20-06-2012 and remitting the matter to CCI for fresh adjudication of the issue. Upon appeal filed before the Competition Appellate Tribunal (COMPAT) the order of the CCI has been stayed on condition that the company deposits 10% of the penalty amounting to ₹ 25.86 Crores. In compliance of the order of COMPAT the company has deposited ₹ 25.86 Crores and the said deposit is classified under "Bank Balances other than Cash and Cash Equivalents". By virtue of Section 185(4) of the Finance Act 2017, the appeals pending with COMPAT were transferred to National Company Law Appellate Tribunal by the Government. The arguments were completed. The Company believes that it has a good case and hence no provision is made. Our opinion is not modified in respect of this matter.

The comparative consolidated financial information of the Company for the year ended March 31, 2017 are based on the previously issued consolidated financial statements jointly audited by M.S. Jagannathan & N. Krishnaswami, Chartered Accountants and CNGSN & Associates LLP, Chartered Accountants, the predecessor auditors, whose report for the year ended March 31, 2017 dated 30-05-2017 expressed an unmodified opinion on those consolidated financial statements.

Report on Other Legal and Regulatory Requirements

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

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
5. On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditor of the subsidiary company and associate companies, and Management Certification in the case of the unaudited associate companies, none of the Directors of the Group and its associate companies is disqualified as on 31st March 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.
6. We have enclosed our separate report in "Annexure A" with respect to the adequacy of the internal financial controls over financial reporting of the entities in the Group and associate companies and the operating effectiveness of such controls. We have relied on the management certification in respect of the unaudited associates with respect to the adequacy of internal financial controls over financial reporting. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of entities in the Group and the associate companies.
7. 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:
   i. The details of the pending litigations and its impact on the Financial Statements have been disclosed in the Separate Financial Statements of the respective entities in the Group and by the associates.
   ii. The Group and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the entities in the Group and its associates.

   In reaching conclusions commented upon in items (i) to (iii) above, we have relied on a) our audit of the Holding Company, b) the audit of the subsidiary company by some other Independent Auditor and c) Management Certification in the case of associates which are unaudited.

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P.SANTHANAM
Partner
Membership Number: 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M.VIJAYAN
Partner
Membership Number: 026972

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

We have audited the internal financial controls over financial reporting of The Ramco Cements Limited, its subsidiary and its associates ("the Group") as of 31st March 2018 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on 31st March 2018.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary and its associate companies, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary and associates company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

We have relied on a) our audit of the Holding Company, b) the audit of the subsidiary company by some other Independent Auditor and c) Management Certification in the case of associates which are unaudited.

The adequacy of internal financial control over financial reporting in so far as it relates to such subsidiary which has been audited by other auditors we relied on the audit reports furnished to us. In respect of unaudited associates, we had relied upon management certification. Our report on the adequacy and operating effectiveness of the internal financial control over financial reporting for the Holding Company and its subsidiary and associates, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary and associates is based solely on the report of the auditor of such companies or management certification as referred above. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P.SANTHANAM
Partner
Membership Number: 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M.VIJAYAN
Partner
Membership Number: 026972

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

₹ In Crores

	Note No.	31-03-2018	31-03-2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	**5,127.66**	5,000.48
Capital Work in Progress	8	**150.03**	97.42
Investment Property	9	**143.80**	145.76
Intangible Assets	10	**50.93**	64.39
Intangible Assets under Development	11	**24.89**	22.84
Investments in Associates	12	**200.64**	183.92
Financial Assets			
Other Investments	12a	**27.37**	26.53
Loans	13	**14.08**	14.94
Other Financial Assets	14	**15.66**	9.81
Other Non-Current Assets	15	**102.54**	82.64
		5,857.60	5,648.73
Current Assets			
Inventories	16	**561.25**	576.57
Financial Assets			
Trade Receivables	17	**442.31**	554.90
Cash and Cash Equivalents	18	**88.66**	83.34
Bank Balances other than Cash and Cash Equivalents	19	**31.20**	36.43
Loans	20	**31.12**	27.28
Other Financial Assets	21	**57.94**	31.39
Other Current Assets	22	**87.94**	111.87
		1,300.42	1,421.78
Total Assets		**7,158.02**	7,070.51
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	23	**23.56**	23.81
Other Equity	24	**4,081.49**	3,771.65
Equity attributable to the Equity shareholders		**4,105.05**	3,795.46
Non-controlling Interests	24a	**3.23**	1.94
		4,108.28	3,797.40
Non Current Liabilities			
Financial Liabilities			
Borrowings	25	**418.78**	511.04
Provisions	26	**8.65**	3.61
Deferred Tax Liabilities (net)	27	**753.17**	721.50
Deferred Government Grants	28	**12.71**	11.48
		1,193.31	1,247.63
Current Liabilities			
Financial Liabilities			
Borrowings	29	**582.64**	634.51
Trade Payables	30	**267.91**	256.22
Other Financial Liabilities	31	**780.14**	1,002.35
Other Current Liabilities	32	**143.17**	80.39
Provisions	33	**48.44**	46.51
Deferred Government Grants	34	**1.13**	0.96
Liabilities for Current tax	35	**33.00**	4.54
		1,856.43	2,025.48
Total Equity and Liabilities		**7,158.02**	7,070.51
Significant Accounting Policies, Judgments and Estimates	1 - 6		
See accompanying notes to the financial statements	7 - 56		

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Chennai
23-05-2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	Note No.	31-03-2018	31-03-2017
REVENUE			
Revenue from operations	36	**4,583.75**	4,582.02
Other Income	37	**32.68**	39.94
Total Revenue		**4,616.43**	4,621.96
EXPENSES			
Cost of Materials Consumed	38	**736.68**	624.38
Purchase of Stock-in-Trade	39	**30.00**	31.07
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	**(16.10)**	14.94
Excise Duty on Sale of Goods	41	**159.95**	614.69
Employee Benefits Expense	42 & 48	**304.85**	278.52
Finance Costs	43	**59.99**	104.88
Depreciation and Amortization Expense	44	**293.51**	285.83
Transportation and Handling Expenses		**928.10**	738.27
Power and Fuel		**729.07**	516.41
Other Expenses	45	**599.10**	556.06
Total Expenses		**3,825.15**	3,765.05
Profit Before Tax		**791.28**	856.91
Tax Expenses	27		
Current Tax		**205.84**	188.21
Excess tax provision related to earlier years written back		**(4.86)**	-
Net Current tax expenses		**200.98**	188.21
Deferred Tax		**24.08**	17.73
MAT Credit Recognition		**(1.30)**	(1.20)
Deferred tax adjustments of earlier year		**7.30**	(2.04)
Net Deferred tax expenses		**30.08**	14.49
Total Tax Expenses		**231.06**	202.70
Profit for the year before share of profit/(loss) of Associates		**560.22**	654.21
Add: Share of Profit/(Loss) of Associates		**4.83**	9.77
PROFIT FOR THE YEAR	A	**565.05**	663.98
Profit for the year attributable to:			
Equity shareholders of the parent		**563.76**	662.74
Non-controlling Interest		**1.29**	1.24
		565.05	663.98
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)	48	**(0.28)**	(3.57)
Deferred Tax (charge)/credit on above	27	**(2.22)**	1.24
Fair value gain/(loss) on Equity Instruments through OCI	12a	**0.78**	1.09
Share of OCI of Associates (net of tax)		**0.82**	0.82
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	B	**(0.90)**	(0.42)
Other Comprehensive Income for the year attributable to:			
Equity shareholders of the parent		**(0.90)**	(0.42)
Non-controlling Interest		**-**	-
		(0.90)	(0.42)
TOTAL COMPREHENSIVE INCOME	(A) + (B)	**564.15**	663.56
Total Comprehensive Income for the year attributable to:			
Equity shareholders of the parent		**562.86**	662.32
Non-controlling Interest		**1.29**	1.24
		564.15	663.56
Earnings per equity share of face value of ₹ 1 each	51		
Basic and Diluted in ₹		**25**	29
Significant Accounting Policies, Judgments and Estimates	1 - 6		
See accompanying notes to the financial statements	7 - 56		

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Chennai
23-05-2018

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

		31-03-2018	31-03-2017
Cash Flow from Operating Activities			
Profit Before Tax		**791.28**	856.91
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation & Amortization		**293.51**	285.83
Loss / (Profit) on sale of Property, Plant & Equipment *(Including Investment Property)*		**1.07**	(0.73)
Bad Debts written off		**0.42**	0.72
Impairment Loss on assets		**9.50**	7.70
Provision for compensated absences		**1.97**	1.98
Provision for Mines Restoration Expenditure		**4.41**	1.70
Interest Income		**(12.65)**	(22.91)
Dividend Income		**(0.09)**	(0.09)
Grant Income		**(2.16)**	(3.06)
Cash flow arising out of Actuarial loss on defined benefit obligations		**(0.28)**	(3.57)
Fair value gain on Mutual funds		**(0.02)**	(0.05)
Rent Receipts		**(8.66)**	(7.74)
Finance costs		**59.99**	104.88
Other non-cash adjustments		**2.30**	1.59
Operating Profit before Working Capital changes		**1,140.59**	1,223.16
Movements in Working capital:			
Inventories		**15.32**	(26.40)
Trade receivables and other assets		**121.34**	(34.74)
Trade payables and other liabilities		**19.69**	146.21
Cash generated from Operations		**1,296.94**	1,308.23
Direct Taxes paid		**(172.56)**	(190.82)
Net Cash generated from Operating Activities	A	**1,124.38**	1,117.41
Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment and Investment Properties *(Including Capital work-in-progress, Capital Advances and payable for capital goods)*		**(496.10)**	(307.13)
Proceeds from Sale of Property,Plant & Equipment and Investment Properties		**1.57**	2.35
Interest received		**5.29**	19.81
Dividend received		**0.73**	0.06
Investment in Equity Shares of Associate companies		**(10.11)**	(3.00)
Rent Receipts		**8.66**	7.74
Net Cash used in Investing Activities	B	**(489.96)**	(280.17)
Cash Flow from Financing Activities			
Amount utilised towards Buy-back of Equity Shares		**(168.12)**	-
Proceeds from Long Term Borrowings		**95.74**	10.00
Repayment of Long Term Borrowings		**(358.36)**	(712.07)
(Repayment) / Availment of Short Term Borrowings (net)		**(210.52)**	147.53
Payment of Dividend and Dividend Distribution Tax		**(85.15)**	-
Interest paid		**(66.57)**	(110.42)
Net Cash used in Financing Activities	C	**(792.98)**	(664.96)
Net Increase / (Decrease) in Cash and Cash equivalents	D = (A+B+C)	**(158.56)**	**172.28**
Opening balance of Cash and Cash equivalents	E	**(11.90)**	**(184.18)**
Closing balance of Cash and Cash equivalents	D + E	**(170.46)**	**(11.90)**

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018 (Contd.)

₹ In Crores

Notes

(i) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow .

(ii) For the purpose of Statement of Cash Flows, Cash and Cash Equivalents comprise the following:

	31-03-2018	31-03-2017
Cash and cash equivalents (Refer Note 18)	***88.66***	*83.34*
Bank Balances other than cash and cash equivalents (Refer Note 19)	***31.20***	*36.43*
	119.86	*119.77*
Less: Cash Credit (Refer Note 29)	***290.32***	*131.67*
Cash and Bank Balances, net of Cash Credit for Statement of Cash Flow	***(170.46)***	*(11.90)*
(iii) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:		
Balance at the beginning of the year		
Long Term Borrowings	***511.04***	*1,059.46*
Short Term Borrowings (excluding cash credit)	***502.84***	*355.31*
Current maturities of Long Term Debt	***291.61***	*450.27*
Interest accrued	***9.71***	*16.72*
Sub-total Balance at the beginning of the year	***1,315.20***	*1,881.76*
Cash flows during the year		
Proceeds from Long Term Borrowings	***95.74***	*10.00*
Repayment of Long Term Borrowings	***(358.36)***	*(712.07)*
(Repayment) / Availment of Short Term Borrowings (net)	***(210.52)***	*147.53*
Interest paid	***(66.57)***	*(110.42)*
Sub-total Cash flows during the year	***(539.71)***	*(664.96)*
Non-cash changes		
Interest accrual for the year	***59.99***	*104.88*
Unwinding of discounts on provisions	***(0.62)***	*(0.27)*
Recognition of difference between fair value of Soft Loan from Government and transaction value as Deferred Government Grant	***(3.56)***	*(6.21)*
Sub-total Non-cash changes during the year	***55.81***	*98.40*
Balance at the end of the year		
Long Term Borrowings	***418.78***	*511.04*
Short Term Borrowings	***292.32***	*502.84*
Current maturities of Long Term Debt	***119.16***	*291.61*
Interest accrued	***1.04***	*9.71*
Sub-total Balance at the end of the year	***831.30***	*1,315.20*

See accompanying notes to the financial statements *7 - 56*

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

Chennai
23-05-2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A. Equity Share Capital

₹ in Crores

Balance as at 01-04-2016	23.81
Changes in Equity Share Capital during the year 2016-17	-
Balance as at 31-03-2017	**23.81**
Changes in Equity Share Capital during the year 2017-18	(0.25)
Balance as at 31-03-2018	**23.56**

B. Other Equity

₹ in Crores

Particulars	Reserves and Surplus					Items of OCI			Total	Non-Controlling Interests	Total Other Equity
	Capital Redemption Reserve	Debenture Redemption Reserve	Capital Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Remeasurments of Defined Benefit Obligations	Share of OCI of Associates			
Other Equity as at 01-04-2016	**1.38**	**125.00**	**49.01**	**2,840.94**	**91.54**	**2.42**	**-**	**(0.96)**	**3,109.33**	**0.70**	**3,110.03**
Add: Profit for the year	-	-	-	-	662.74	-	-		662.74	1.24	663.98
Add: Other Comprehensive Income	-	-	-	-	-	1.09	(2.33)	0.82	(0.42)	-	(0.42)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**662.74**	**1.09**	**(2.33)**	**0.82**	**662.32**	**1.24**	**663.56**
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(2.33)	-	(2.33)	-	(2.33)
Less: Transfer to General Reserve	-	75.00	-	-	546.87	-	-	-	621.87	-	621.87
Add: Transfer from Retained Earnings	-	-	-	546.87	-	-	-	-	546.87	-	546.87
Add: Transfer from OCI	-	-	-	-	(2.33)	-	-	-	(2.33)	-	(2.33)
Add: Transfer from Debenture Redemption Reserve	-	-	-	75.00	-	-		-	75.00	-	75.00
Other Equity as at 31-03-2017	**1.38**	**50.00**	**49.01**	**3,462.81**	**205.08**	**3.51**	**-**	**(0.14)**	**3,771.65**	**1.94**	**3,773.59**
Add: Profit for the year	-	-	-	-	563.76	-	-	-	563.76	1.29	565.05
Add: Other Comprehensive Income for the year	-	-	-	-	-	0.78	(2.50)	0.82	(0.90)	-	(0.90)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**563.76**	**0.78**	**(2.50)**	**0.82**	**562.86**	**1.29**	**564.15**
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(2.50)	-	(2.50)	-	(2.50)
Less: Transfer to General Reserve	-	50.00	-	-	468.01	-	-	-	518.01	-	518.01
Less: Transfer to Capital Redemption Reserve	-	-	-	0.25	-	-	-	-	0.25	-	0.25
Add: Transfer from General Reserve	0.25	-	-	-	-	-	-	-	0.25	-	0.25
Add: Transfer from Retained Earnings	-	-	-	468.01	-	-	-	-	468.01	-	468.01
Add: Transfer from OCI	-	-	-	-	(2.50)	-	-	-	(2.50)	-	(2.50)
Add: Transfer from Debenture Redemption Reserve	-	-	-	50.00	-	-	-	-	50.00	-	50.00
Less: Dividend and Dividend Distribution Tax	-	-	-	-	85.15	-	-	-	85.15	-	85.15
Less: Amount utilised for Buy-Back of Equity Shares	-	-	-	167.87	-	-	-	-	167.87	-	167.87
Other Equity as at 31-03-2018	**1.63**	**-**	**49.01**	**3,812.70**	**213.18**	**4.29**	**-**	**0.68**	**4,081.49**	**3.23**	**4,084.72**

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1. Corporate Information

The Ramco Cements Limited (the 'Parent') is a Public Limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act 1956. The Registered office of the Company is located at "Ramamandiram", Rajapalayam - 626 117, Tamilnadu. The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited.

The Company is engaged in manufacture of Cement, Ready Mix Concrete and Dry Mortar products. The Company caters mainly to the domestic markets. The Company is also engaged in sale of surplus electricity generated from its windmills and thermal power plants after meeting its captive requirements.

The Consolidated Financial Statements (CFS) for the year were approved and adopted by Board of Directors of the Company in their meeting dated 23-05-2018.

2. Basis of Preparation of Consolidated Financial Statements

2.1 The CFS are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time.

2.2 Pursuant to General Circular No.39/2014 dated 14-10-2014 issued by Ministry of Corporate Affairs that the disclosures made already under the separate financial statements are not repeated and thus the disclosures that are relevant arising out of consolidation have only been presented.

2.3 The CFS comprises the financial statements of The Ramco Cements Limited, its Subsidiary Company and Associate companies, hereinafter collectively known as 'Group'. The list of companies which are included in consolidation and the Parent's holding and voting rights therein are as under:

Name of the Subsidiary	% of ownership interest	
	31-03-2018	31-03-2017
Ramco Windfarms Limited	71.50%	71.50%

The following companies are considered as Associates based on existence of significant influence over such companies:

Name of the Associates	% of ownership interest	
	31-03-2018	31-03-2017
Ramco Industries Limited	15.43%	15.43%
Ramco Systems Limited	17.74%	17.82%
Rajapalayam Mills Limited	0.35%	0.35%
Shri Vishnu Shankar Mill Limited	0.14%	0.14%
Madurai Trans Carrier Limited	29.86%	29.86%
Lynks Logistics Limited	48.78%	45.57%

The above companies are incorporated in India and financial statements of the respective companies are drawn up to the same reporting date as that of the Parent (i.e.) 31-03-2018.

2.4 The significant accounting policies used in preparing the financial statements are set out in Note 4

2.5 The Group has considered its operating cycle to be 12 months for the purpose of Current and Non-current classification of assets and liabilities.

2.6 An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period, or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.

2.7 A liability is classified as current when it is expected to be settled in normal operating cycle, or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

2.8 The CFS are presented in Indian Rupees rounded to the nearest Crores with two decimals. The amount below the round off norm adopted by the Group is denoted as ₹ 0.00 Crores.

2.9 Previous year figures have been regrouped / restated, wherever necessary and appropriate.

Principles of Consolidation

2.10 The financial statements of the Parent and its subsidiary company have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after elimination of intra-group balances and intra-group transactions resulting in unrealized Profits/Losses.

2.11 The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and is presented, to the extent possible, in the same manner as the Parent's separate financial statements.

2.12 Non-controlling interest in the net assets of subsidiary is identified and presented in the Consolidated Balance

Sheet separately from liabilities and equity of the Parent's shareholders. Non-controlling interest in the net assets of subsidiary consists of:

a) The amount of subscribed equity share capital attributable to non-controlling interest during the year.

b) The movement of non-controlling interest in equity since the date the parent subsidiary relationship came into existence.

2.13 The CFS includes the share of profit/loss of the associate companies that are accounted for using equity method in accordance with Ind AS 28. Accordingly, the share of profit/ loss of the associates (the loss being restricted to the cost of investment) has been added/deducted from the cost of investment. The most recent available financial statements of the associates are used in applying the equity method.

2.14 Under equity method of accounting, the investments are initially recognized at the fair value of net asset of Associates from the date on which it becomes an associate and any difference between the cost of the investment and the Parent's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as follows:

a) Goodwill relating to an associate is included in the carrying amount of the investment and the same is not amortised.

b) Any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Subsequently, the carrying amount of investment is adjusted to recognize the share of post-acquisition profits or losses of its Associates in the Parent's Statement of Profit & Loss.

2.15 Dividend received or receivable from Associates are recognized as a reduction in the carrying amount of the Investment.

2.16 Unrealised gains on transactions between the group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated to the extent of Group's interest in these entities unless the transaction provides evidence of an impairment of the asset transferred.

2.17 At each reporting date, the Group determines whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the Group provides for impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'Share of profit of an associates' in the Statement of Profit & Loss.

2.18 The Group's Statement of Profit and Loss reflects the share of results of its associates. Any change in OCI of those investees is presented as part of the Group's OCI.

3. Basis of Measurement

The CFS have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 4.18 - Accounting Policy for Financial Instruments) and defined benefit plan assets which are measured at fair value.

4. Significant Accounting Policies

4.1 Inventories

4.1.1 Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. 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.

4.1.2 Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Process stock.

Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities and other costs incurred in bringing the inventory to their present location and condition. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

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

4.2 Statement of Cash Flow

4.2.1 Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

4.2.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

4.2.3 Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash Flow .

4.3 Dividend distribution to Equity shareholders

Final dividend distribution to shareholders is recognised in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend together with applicable taxes is recognised directly in Equity.

4.4 Income Taxes

4.4.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income Tax Act, 1961 and other applicable tax laws.

4.4.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Group will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Group during the specified period. The Group reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income tax during the specified period.

4.4.3 Current tax assets and liabilities are offset, when the Group has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

4.4.4 Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

4.4.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

4.4.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Group has legally enforceable right to set off current tax assets against current tax liabilities.

4.4.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

4.5 Property, plant and equipments (PPE)

4.5.1. PPEs are stated at cost of acquisition or construction (net of CENVAT / VAT/ GST wherever applicable) less accumulated depreciation / amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

The Group identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. When each major inspection/overhauling is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Items such as spare parts, stand-by equipments and servicing equipments are classified as PPE when they meet the definition of PPE as per Ind AS 16. Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.

Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

4.5.2 The Group follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings	3 to 60 years
Plant and equipments - Cement	2 to 60 years
Plant and equipments - Ready mix concrete	10 to 25 years
Plant and equipments - Dry mortar products	5 to 25 years
Thermal power plants	5 to 60 years
Windmills	5 to 30 years
Workshop and Quarry equipments	8 to 25 years
Mobile Phones	3 years
Motor cars given to employees as per company's scheme	6 to 7 years

4.5.3 PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for

the assets acquired or asset given up, whichever is more clearly evident.

4.5.4 PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

4.5.5 Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.

4.5.6 Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

4.5.7 The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress

4.5.8 Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

4.6 Leases

4.6.1 The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

4.6.2 The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts and payments are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Group do not have any finance leases.

4.6.3 The amount paid for securing right to use of lands qualify as Operating lease and the amount paid for leasehold land is classified as “Lease prepayments” under prepaid expenses, which are amortised over the tenure of lease.

4.7 Revenue Recognition

4.7.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

4.7.2 **Revenue from Operations**

Sale of products

Revenue is recognised at the fair value of consideration received or receivable upon transfer of significant risks and rewards of ownership of goods which coincides with the delivery of goods. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Power generated from Windmills

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO, KPTCL & BESCOM are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue. Power generated from windmills that are covered under power purchase agreement with TANGEDCO are recognised at the rate fixed by respective State Electricity Regulatory Commissions, upon transmission of energy to the grids of the State Electricity Board and the same is classified as “Sale of power generated from windmills”.

Scrap sale

Scrap sale is recognised at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods including excise duty excluding applicable taxes on sale.

Industrial Promotion Assistance

This being in the nature of Government grants, which are recognised at fair value when the Group’s right to receive the same is established with reasonable assurance.

4.7.3 **Other Income**

a) Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

b) Dividend income is recognised when the Group’s right to receive dividend is established.

c) Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease.

d) Value of Carbon credits are recognised when the Group’s right to receive the same is established.

e) Income from merchant power, arising out of sale of surplus electricity generated from its thermal power plants after meeting its captive requirements, is recognised upon transmission of energy to the grids of the State Electricity Board after netting off expenses attributable to it.

4.8 Employee Benefits

4.8.1 Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in

the Statement of Profit and Loss for the year in which the related service is rendered.

4.8.2 Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.

4.8.3 The Group contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary. The Group has no further obligations.

4.8.4 The Group also contributes for superannuation a sum equivalent to 15% of the officer's eligible annual basic salary. Out of the said 15% contribution, a sum upto ₹1.50 Lacs per annum is remitted to The Ramco Cements Limited Officer's Superannuation Fund administered by trustees and managed by LIC of India. The balance amount, if any, is either remitted to National Pension System (NPS) subject to applicable ceiling or paid as salary at the option of employees. There are no further obligations in respect of the above contribution plan.

4.8.5 The Group has its own Defined Benefit Plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Group makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using Projected Unit Credit method.

4.8.6 The Group provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

4.8.7 Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

4.9 Government Grants

4.9.1 Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

4.9.2 In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

4.9.3 The soft loan from government is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of soft loan from government at a below-market rate of interest is treated as a government grant and classified as "Deferred Grant". It is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The said deferred grant is amortized over the useful life of the underlying asset.

4.10 Foreign currency transactions

4.10.1 The financial statements are presented in Indian Rupees, which is also the Group's functional currency.

4.10.2 All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.

4.10.3 Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

4.10.4 Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the date of transaction.

Foreign Branch Operations

4.10.5 Income and expenditure transactions are translated to functional currency using monthly moving average exchange rate.

4.10.6 Monetary assets and liabilities of foreign branch as at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

4.10.7 Non-monetary items of foreign branch are carried at historical cost denominated in foreign currency and are reported using the exchange rates at the transaction date.

4.11 Borrowing Costs

4.11.1 Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

4.11.2 Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended

use. The Group determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Group capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

4.12 Earnings per Share

4.12.1 Earnings per share is calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares including un-allotted bonus shares outstanding during the year.

4.12.2 Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per share.

4.12.3 The Group do not have any potential equity shares.

4.13 Impairment of Non-Financial Assets

4.13.1 The carrying values of assets include property, plant and equipment, investment properties, cash generating units and intangible assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.

4.13.2 Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.

4.13.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

4.13.4 An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

4.14 Provisions, Contingent Liabilities and Contingent Assets

4.14.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

4.14.2 Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.14.3 The Group provides for the estimated expenses at fair value that are required to restore mines. The estimated restoration expenses are determined based on the estimated mineral reserves available. The actual expenses may vary based on the nature of restoration and estimate of restoration expenses. Mines restoration expenses are incurred on an on-going basis until the closure of mines. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates and expected timing of these costs. The provision for this expense is included under “Cost of materials consumed” to the extent such mineral reserves were used in the production. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.

4.14.4 Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.

4.14.5 Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

4.15 Intangible Assets

4.15.1 The costs incurred in connection with securing right to extract mineral reserves are capitalised under “Mining Rights” and the costs of stripping overburden to gain access to limestone deposits and the present value of restoration liability, if materially significant, to the extent of exposed overburden area are capitalised under “Mine Development”.

4.15.2 The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

4.15.3 The cost incurred for right to un-restricted usage of power transmission system for sale of power from Group’s captive thermal power plants to State grid and for drawal of power from State grid to its plant were capitalized as the Group is expected to yield future economic benefits.

4.15.4 Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team as detailed below:

Nature of Intangible assets	Estimated useful life
Mining rights	Over the period of mining lease
Mine Development	Unit of production method
Computer software	6 years
Power transmission system	5 years

4.15.5 The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

4.15.6 The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

4.16 Investment Properties

4.16.1 An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

4.16.2 Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.

4.16.3 The Group identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

4.16.4 Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings under Investment properties	3 to 60 years

4.16.5 Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount received towards investment properties that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

4.16.6 The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

4.17 Operating Segments

The Group's business operation comprises of single operating segment viz., cement and cementitious materials. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

4.18 Financial Instruments

4.18.1 A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.18.2 Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Group has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

4.18.3 The Group initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Group. When the Group reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Group does not restate any previously recognised gains, losses including impairment gains or losses or interest.

Financial Assets

4.18.4 Financial assets comprise of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.

4.18.5 Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

a) Amortised cost; or

b) Fair value through other comprehensive income (FVTOCI); or

c) Fair value through profit or loss (FVTPL)

Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

4.18.6 The Group has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, financial

assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification / Business Model
Amortised cost
The objective of the Group is to hold and collect the contractual cash flows till maturity. In other words, the Group do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI
The objective of the Group is to collect its contractual cash flows and selling financial assets.

The Group has accounted for its investments in subsidiary and associates at cost. The Group has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Group classifies its financial assets for measurement as below:

Classification / Name of Financial Assets
Amortised cost
Trade receivables, Loans and advances to employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI
Equity investments in companies other than Subsidiary & Associate as an option exercised at the time of initial recognition.
FVTPL
Investments in mutual funds, forward exchange contracts.

4.18.7 Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Group also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

a) significant risk and rewards of the financial asset, or

b) control of the financial asset

However, the Group continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset.

4.18.8 Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

4.18.9 For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Impairment testing methodology
Trade receivables
Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets
When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

4.18.10 Financial Liabilities comprise of Borrowings from Banks, Debentures, Soft loan / Interest free loan from Government, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.

4.18.11 The Group measures its financial liabilities as below:

Measurement basis / Name of Financial liabilities
Amortised cost
Borrowings, Debentures, Soft Loan/Interest free loan from Government, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits, Mines restoration obligation and other financial liabilities not for trading.
FVTPL
Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

4.18.12 Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a

liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

4.18.13 Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.

4.18.14 Upon derecognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

4.19 Fair value measurement

4.19.1 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.

4.19.2 The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

4.19.3 All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

4.19.4 For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

4.19.5 For the purpose of fair value disclosures, the Group has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

4.19.6 The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

Investments in Equity / Mutual Funds

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade and other receivables

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, soft loan from government, deferred sales tax liability, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial guarantee obligation

The fair value of financial guarantee obligation with reference to loan availed by related parties is determined on the basis of estimated cost involved in securing equivalent size of the guarantees from bank.

Investment Properties

The fair value is determined for disclosure purposes based on an annual evaluation performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

5. Recent Accounting pronouncements – Standards issued but not effective

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying deletion of existing standard Ind AS 18 and insertion of new standard Ind AS 115 on Revenue from Contracts with Customers. The amendments are applicable to the Group from April 1, 2018.

This Standard establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Adoption of Ind AS 115 is not expected to have any impact on the Group's revenue and profit or loss. The Group expects the revenue recognition to occur at a point in time when the materials are delivered at the customers in case of cement and cementitious materials and in the case of wind power, when energy is transmitted to the grid.

However, the Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

6. Significant Estimates and Judgements

The preparation of the 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. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Asset (Including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Impairment of Trade receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Mine Development

In determining the allocation of mine development cost based on the unit of production method, assumptions and estimates are made by the management, in relation to the estimated mineral reserves available for the remaining period.

Mines Restoration Expenditure

In determining the provision for Mines restoration expenditure, assumptions and estimates are made by the management, in relation to discount rates, the expected mineral reserves, estimated cost to restore the mines and the expected timing of those costs.

Defined Benefit Plans and Other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 7

PROPERTY, PLANT AND EQUIPMENT

₹ In Crores

Particulars	Year	Gross Block				Depreciation				Impairment				Net Block
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the beginning of the year	Impairment Loss for the year	Deductions	As at the end of the year	As at the end of the year
Own assets														
Land	2017-18	548.95	149.94	0.02	698.87	-	-	-	-	-	-	-	-	698.87
	2016-17	505.77	43.36	0.18	548.95	-	-	-	-	-	-	-	-	548.95
Buildings	2017-18	812.53	62.56	0.70	874.39	205.76	37.52	0.32	242.96	-	0.38	0.38	-	631.43
	2016-17	772.00	41.30	0.77	812.53	168.70	37.47	0.41	205.76	-	0.35	0.35	-	606.77
Plant & Equipments	2017-18	6,045.15	171.61	35.76	6,181.00	2,356.66	197.30	19.09	2,534.87	1.27	9.12	9.12	1.27	3,644.86
	2016-17	5,845.63	216.78	17.26	6,045.15	2,174.91	191.61	9.86	2,356.66	1.27	7.30	7.30	1.27	3,687.22
Railway Siding	2017-18	115.35	0.65	-	116.00	37.72	6.82	-	44.54	-	-	-	-	71.46
	2016-17	114.59	0.76	-	115.35	30.28	7.44	-	37.72	-	-	-	-	77.63
Workshop, Quarry Equipments	2017-18	46.65	2.52	0.51	48.66	35.01	2.79	0.35	37.45	-	-	-	-	11.21
	2016-17	46.65	2.16	2.16	46.65	33.45	3.49	1.93	35.01	-	0.01	0.01	-	11.64
Research & Development Equipments	2017-18	63.75	2.56	8.77	57.54	50.88	1.31	8.33	43.86	-	-	-	-	13.68
	2016-17	63.75	-	-	63.75	49.64	1.24	-	50.88	-	-	-	-	12.87
Furniture & Fixtures	2017-18	47.17	3.47	0.10	50.54	20.20	3.98	0.09	24.09	-	-	-	-	26.45
	2016-17	45.85	2.87	1.55	47.17	17.92	3.57	1.29	20.20	-	0.02	0.02	-	26.97
Office Equipments	2017-18	50.29	5.37	0.73	54.93	34.99	5.19	0.27	39.91	-	-	-	-	15.02
	2016-17	47.47	4.02	1.20	50.29	30.89	5.22	1.12	34.99	-	0.02	0.02	-	15.30
Vehicles	2017-18	25.99	4.97	2.55	28.41	12.86	2.59	1.72	13.73	-	-	-	-	14.68
	2016-17	24.67	4.03	2.71	25.99	12.31	2.44	1.89	12.86	-	-	-	-	13.13
Total	**2017-18**	**7,755.83**	**403.65**	**49.14**	**8,110.34**	**2,754.08**	**257.50**	**30.17**	**2,981.41**	**1.27**	**9.50**	**9.50**	**1.27**	**5,127.66**
	2016-17	**7,466.38**	**315.28**	**25.83**	**7,755.83**	**2,518.10**	**252.48**	**16.50**	**2,754.08**	**1.27**	**7.70**	**7.70**	**1.27**	**5,000.48**

Notes

(a) The Company has capitalised borrowing cost of ₹ 3.31 Crores (PY: Nil) during the year. The Capitalisation rate used to determine the amount of borrowing costs to be capitalised in the weighted average interest rate applicable to the entity's general borrowings that are outstanding during the year, in this case 8.32% p.a.

(b) The carrying amount of movable fixed assets of the Company and immovable properties (excluding mining lands) pertaining to Cement plant located at Alathiyur, Ariyalur, Ramasamy Raja Nagar, Jayanthipuram, Mathodu, Chengalpattu, Salem and 33.24 MW of WEGs have been pledged by way of pari passu first charge as security for Long term Borrowings (Refer Note 25).

(c) The Impairment loss relates to assets that were damaged / discarded during the year. The written down value as at the date of damage / discard was recognised as impairment loss in the Statement of Profit and Loss and also derecognised from the financial statement since no future benefit is expected from its use / disposal.

(d) Deductions in Gross Block comprises of:

Class of Assets	2017-18				2016-17			
	Sale of Assets	Impairment of Assets	Held for retrofitting	Total	Sale of Assets	Impairment of Assets	Held for retrofitting	Total
Land	0.02	-	-	0.02	0.18	-	-	0.18
Building	-	0.70	-	0.70	0.09	0.68	-	0.77
Plant and Equipments	1.81	22.16	11.79	35.76	0.35	16.91	-	17.26
Workshop and Quarry Equipments	0.51	-	-	0.51	2.14	0.02	-	2.16
Research and Development Equipments	8.77	-	-	8.77	-	-	-	-
Furnitures and Fixtures	0.09	0.01	-	0.10	0.69	0.86	-	1.55
Office Equipments	0.68	0.05	-	0.73	0.88	0.32	-	1.20
Vehicles	2.55	-	-	2.55	2.71	-	-	2.71
Total	14.43	22.92	11.79	49.14	7.04	18.79	-	25.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 8

CAPITAL WORK IN PROGRESS (CWIP)

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Capitalised under PPE	As at the end of the year
Buildings	2017-18	26.38	56.14	62.56	19.96
	2016-17	30.81	36.87	41.30	26.38
Plant & Equipments	2017-18	69.29	208.63	171.61	106.31
	2016-17	105.75	179.97	216.43	69.29
Railway Siding	2017-18	1.75	22.66	0.65	23.76
	2016-17	1.75	0.76	0.76	1.75
Total	**2017-18**	**97.42**	**287.43**	**234.82**	**150.03**
	2016-17	**138.31**	**217.60**	**258.49**	**97.42**

Note: Capital work in progress includes borrowing cost of ₹ 1.16 Crores (PY: Nil)

NOTE 9

INVESTMENT PROPERTY

₹ In Crores

Particulars	Year	Gross Block				Depreciation				Net Block
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year
Land	2017-18	85.56	-	-	85.56	-	-	-	-	85.56
	2016-17	85.56	-	-	85.56	-	-	-	-	85.56
Buildings	2017-18	65.95	0.16	-	66.11	5.75	2.12	-	7.87	58.24
	2016-17	49.69	16.26	-	65.95	3.78	1.97	-	5.75	60.20
Total	**2017-18**	**151.51**	**0.16**	**-**	**151.67**	**5.75**	**2.12**	**-**	**7.87**	**143.80**
	2016-17	**135.25**	**16.26**	**-**	**151.51**	**3.78**	**1.97**	**-**	**5.75**	**145.76**

Notes

(a) The Group measured all of its Investment Properties at Cost in accordance with Ind AS 40.

(b) The fair valuation of these investment properties are determined by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets and further moderated by market-corroborated inputs.

(c) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Information regarding Income & Expenditure of Investment Property

₹ In Crores

Particulars	31-03-2018	31-03-2017
Rental Income derived from Investment Properties	**0.40**	0.35
Less: Direct Operating Expenses (including Repairs & Maintenance) generating Rental Income	**0.03**	0.02
Less: Direct Operating Expenses (including Repairs & Maintenance) that did not generate Rental Income	**-**	-
Profit from investment properties before depreciation	**0.37**	0.33
Less: Depreciation	**2.12**	1.97
Profit/(Loss) from investment properties	**(1.75)**	(1.64)

Information regarding Fair value of Investment Property

₹ In Crores

Particulars	31-03-2018	31-03-2017
Fair value of Investment Properties	**195.33**	177.03

Note

The fair valuation of the investment properties are determined annually by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. All resulting fair value estimates for investment properties are included in Level 2.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 10

INTANGIBLE ASSETS

₹ In Crores

Particulars	Year	Gross Block				Amortisation				Net Block
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year
Mining rights	2017-18	25.57	-	-	25.57	12.51	1.15	-	13.66	11.91
	2016-17	33.77	0.26	8.46	25.57	19.38	1.59	8.46	12.51	13.06
Mine Development	2017-18	70.93	16.86	-	87.79	48.58	19.99	-	68.57	19.22
	2016-17	88.96	6.81	24.84	70.93	57.22	16.20	24.84	48.58	22.35
Computer Software	2017-18	70.07	3.57	-	73.64	43.50	11.27	-	54.77	18.87
	2016-17	61.47	8.60	-	70.07	32.67	10.83	-	43.50	26.57
Power Transmission System	2017-18	13.82	-	6.43	7.39	11.41	1.48	6.43	6.46	0.93
	2016-17	12.96	0.86	-	13.82	8.65	2.76	-	11.41	2.41
Total	**2017-18**	**180.39**	**20.43**	**6.43**	**194.39**	**116.00**	**33.89**	**6.43**	**143.46**	**50.93**
	2016-17	**197.16**	**16.53**	**33.30**	**180.39**	**117.92**	**31.38**	**33.30**	**116.00**	**64.39**

Note: Deductions represent impaired intangible assets de-recognised from the financial statements since no future economic benefit is expected.

NOTE 11

INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Captialised under		As at the end of the year
				CWIP	Intangible Asset	
Mine Development	2017-18	22.84	18.91	-	16.86	24.89
	2016-17	5.78	23.87	-	6.81	22.84
Power Transmission System	2017-18	-	-	-	-	-
	2016-17	2.75	-	1.89	0.86	-
Total	**2017-18**	**22.84**	**18.91**	**-**	**16.86**	**24.89**
	2016-17	**8.53**	**23.87**	**1.89**	**7.67**	**22.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 12

INVESTMENTS IN ASSOCIATES (ACCOUNTED USING EQUITY METHOD)

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2018		As at 31-03-2017	
		No. of Shares	Amount	No. of Shares	Amount
Quoted Investments - Fully paid up Equity Shares					
Ramco Systems Limited	10	**54,17,810**	**109.31**	54,17,810	107.50
Ramco Industries Limited	1	**1,33,72,500**	**80.41**	1,33,72,500	67.72
Rajapalayam Mills Limited	10	**25,600**	**1.23**	25,600	1.06
Total Quoted Investments (A)			**190.95**		**176.28**
Unquoted Investments - Fully paid up Equity Shares					
Madurai Transcarrier Limited	1	**5,37,50,000**	**3.76**	5,37,50,000	5.37
Lynks Logistics Limited	1	**10,00,00,000**	**2.62**	3,19,00,000	2.26
Sri Vishnu Shankar Mill Limited	10	**2,100**	**0.01**	2,100	0.01
Sub-total			**6.39**		**7.64**
Unquoted Investments - Partly paid up Equity Shares					
Lynks Logistics Limited (Partly paid up @ ₹0.33/share)	1	**10,00,00,000**	**3.30**	-	-
Sub-total			**3.30**		**-**
Total Unquoted Investments (B)			**9.69**		**7.64**
Total Investments in Associates (A+B)			**200.64**		**183.92**
Aggregate Market Value of Quoted Investments			**502.74**		**530.25**

Note

The carrying amount of Investment in Associates is tested for impairment in accordance with Ind AS 36. There is no impairment in the value of investments as at the reporting date except for reduction in the investments by virtue of share of loss of associates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 12a

OTHER INVESTMENTS

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2018		As at 31-03-2017	
		No. of Shares	Amount	No. of Shares	Amount
Quoted Investments					
Equity Investments fully paid up (designated at FVTOCI)					
Associated Cements Company Limited	10	**103**	**0.02**	103	0.02
India Cements Limited	10	**58**	**0.00**	58	0.00
Andhra Cements Limited	10	**27**	**0.00**	27	0.00
Heidelberg Cements India Limited	10	**170**	**0.00**	170	0.00
Housing Development Finance Corporation Limited	2	**17,400**	**3.18**	17,400	2.61
HDFC Bank Limited	2	**2,500**	**0.47**	2,500	0.36
Indbank Merchant Banking Services Limited	10	**50,000**	**0.10**	50,000	0.07
Tamil Nadu News Print & Papers Limited	10	**22,700**	**0.79**	22,700	0.71
Indian Bank	10	**2,792**	**0.08**	2,792	0.08
Industrial Development Bank of India Limited	10	**14,240**	**0.10**	14,240	0.11
Sub-total			**4.74**		3.96
Investments in Mutual Funds (measured at FVTPL)					
HDFC Mutual Fund	10	**1,68,196**	**0.51**	1,56,696	0.45
Sub-total			**0.51**		0.45
Total Quoted Investments (A)			**5.25**		4.41
Unquoted Investments - Fully paid up Equity Shares					
Other entities (designated at FVTOCI)					
AP Gas Power Corporation Limited	10	**16,08,000**	**22.12**	16,08,000	22.12
The Ramco Cements Employees' Co-operative Stores Ltd.	10	**250**	**0.00**	250	0.00
Total Unquoted Investments (B)			**22.12**		22.12
Total Other Investments (A+B)			**27.37**		26.53
Aggregate Market Value of Quoted Investments			**5.25**		4.41

Note: Refer Note 54 for information about fair value hierarchy under Disclosure of Fair value measurements.

NOTE 13	**31-03-2018**	31-03-2017
LOANS (NON-CURRENT)		
Secured and Considered Good		
Loans to employees	**8.93**	9.94
Loans and advances to service providers	**2.73**	2.39
Unsecured and Considered Good		
Loans to employees	**2.42**	2.53
Loans and advances to service providers	**-**	0.08
Total	**14.08**	14.94

Notes

(a) Loans and advances are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.

(b) Secured by way of deposit of original title deeds/hypothecation of assets/creation of second charge of the underlying immovable properties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 14		
OTHER FINANCIAL ASSETS (NON-CURRENT)		
Unsecured and Considered Good		
Deposit with Government Departments	**13.66**	9.81
Fixed Deposits with Banks (maturity more than 12 months)	**2.00**	-
Total	**15.66**	9.81
Note: Fixed Deposits with Banks represent amount held as security towards Government departments		
NOTE 15		
OTHER NON-CURRENT ASSETS		
Secured and Considered Good		
Capital Advances	**36.89**	2.27
Unsecured and Considered Good		
Capital Advances	**6.06**	4.12
Deposits under protest, in Appeals	**24.67**	32.47
Balance/Claims with Government Departments	**2.65**	2.24
Income Tax Refund receivable	**17.81**	28.86
Prepaid Expenses	**14.46**	12.68
Total	**102.54**	82.64

Notes

(a) Capital Advances are secured by way of Bank guarantees.

(b) The Company's petition filed against the judgement upholding the validity of "The Cess and Other Taxes on Minerals (Validation) Act, 1992" in the Supreme Court has been ruled in company's favour. Pursuant to the above judgement, the Company is entitled to receive a sum of ₹ 1.50 Crores (PY: ₹ 1.50 Crores) from the Government of Tamil Nadu,which is included in 'Balance / Claims with Government Departments'.

(c) Prepaid Expenses include ₹ 7.02 Crores (PY: ₹ 3.60 Crores) towards unamortised upfront premium paid towards lease of land and out of which, ₹ 0.18 Crores (PY: ₹ 0.14 Crores) have been classified under Other current assets.

NOTE 16		
INVENTORIES		
(Valued at lower of Cost or Net Realisable Value)		
Raw materials	**155.52**	179.58
Stores and Spares	**137.88**	152.08
Fuel	**150.64**	139.86
Packing Materials	**25.05**	15.97
Work-in-progress	**55.97**	48.48
Finished goods	**36.19**	40.60
Total	**561.25**	576.57

Notes

(a) Goods in transit included in Inventories -

Raw materials	***17.75***	*-*
Stores and Spares	***0.08***	*-*
Finished goods	***10.23***	*8.81*
Total	***28.06***	*8.81*

(b) The total carrying amount of inventories as at the reporting date has been pledged as security for Short term Borrowings.

₹ In Crores

	31-03-2018	31-03-2017
NOTE 17		
TRADE RECEIVABLES		
Secured and considered good	**299.35**	366.84
Unsecured and considered good	**142.96**	188.06
Unsecured and considered Doubtful	**9.92**	9.92
	452.23	564.82
Less: Impairment of Trade Receivables	**9.92**	9.92
Total	**442.31**	554.90

Notes

(a)	*Unsecured Trade Receivables include dues from -*		
	- State Electricity Boards towards Sale of Power	***70.56***	*132.21*
	- State Government departments towards Sale of Cement	***12.38***	*15.68*
	- Associates towards Sale of Cement	*-*	*0.04*
	Total	***82.94***	*147.93*

(b) Trade receivables are neither due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(c) Trade receivables in respect of cement are generally non-interest bearing. However, for certain receivables of wind power, overdue interest is applicable in terms of specific agreement with counterparty (Refer Note 37[a]).

(d) The receivables from the related parties are furnished in Note 53[c1].

(e) Refer Note 55 for information about risk profile of Trade Receivables under Financial Risk Management.

(f) he total carrying amount of trade receivables has been pledged as security for Short term Borrowings.

NOTE 18

CASH AND CASH EQUIVALENTS		
Cash on hand	**0.11**	0.10
Imprest balances	**0.04**	0.04
Balances with Banks in Current Account	**88.51**	83.20
Total	**88.66**	83.34

Notes

(a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

(b) Refer Note 55 for information about risk profile of cash and cash equivalents under Financial Risk Management.

NOTE 19

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
Fixed Deposits with maturity of more than 3 months but less than 12 months	**27.46**	32.47
Earmarked Balance with Banks for Unclaimed / Disputed Dividend	**3.74**	3.96
Total	**31.20**	36.43

Notes

Fixed Deposits with Banks comprises -

(a)	*Amount deposited by the Company as per the directions issued by Competition Appellate Tribunal in the matter of alleged cartelisation*	***25.86***	*25.86*
(b)	*Interest accrued on the above*	***1.46***	*-*
(c)	*Amount deposited in an escrow account towards buy-back of shares*	***-***	*4.50*
(d)	*Amount deposited which is held towards security to various Government departments*	***0.14***	*2.11*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 20		
LOANS (CURRENT)		
Secured and Considered Good		
Loans to employees	**3.04**	3.13
Loans and advances to service providers	**2.84**	2.75
Unsecured and Considered Good		
Loans and advances to Associates (Refer Note 53[c3])	**11.59**	10.24
Loans and advances to other related parties (Refer Note 53[c3])	**9.17**	7.33
Loans to employees	**4.48**	3.74
Loans and advances to service providers	**-**	0.09
Total	**31.12**	27.28

Notes

(a) Loans are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.

(b) Secured by way of deposit of original title deeds / hypothecation of assets / creation of second charge of the underlying immovable properties.

NOTE 21		
OTHER FINANCIAL ASSETS (CURRENT)		
Unsecured and Considered Good		
Advances/Claims receivable	**26.11**	17.14
Deposits with Government Departments	**0.57**	0.54
Industrial Promotion Assistance receivable	**22.71**	10.12
Interest receivable	**5.71**	1.56
Unbilled Revenue	**2.84**	2.03
Total	**57.94**	31.39

Notes

(a) Industrial Promotion Assistance receivable represents amount receivable from Government of Andhra Pradesh.

(b) Unbilled Revenue represents the value of power evacuated to grid but not billed under -

– Power purchase agreement for wind power	***2.39***	*1.77*
– Wheeling & Banking arrangement for the realisable value of unadjusted units of wind power	***0.22***	*0.10*
– Group captive wheeling and banking arrangement for unbilled units of wind power	***0.23***	*0.16*

NOTE 22		
OTHER CURRENT ASSETS		
Advance Income Tax & Tax deducted at Source	**-**	0.18
Balance/Claims with Government Departments	**32.50**	53.54
Advances to Suppliers & Service providers	**36.86**	26.46
Tax Credit - Indirect taxes	**7.77**	26.01
Prepaid Expenses	**10.81**	5.68
Total	**87.94**	111.87

Note

Advance Income Tax & Tax deducted at Source is after net of provision of tax of ₹ 1.30 Crores (PY: 1.20 Crores).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 23		
EQUITY SHARE CAPITAL		
Authorised		
25,00,00,000 Equity Shares of ₹ 1/- each (PY: 25,00,00,000 Equity Shares of ₹ 1/- each)	**25.00**	25.00
Issued, Subscribed and Fully paid-up		
23,55,76,780 Equity Shares of ₹ 1/- each (PY: 23,80,76,780 Equity Shares of ₹ 1/- each)	**23.56**	23.81

Note: 2,33,600 bonus shares (PY: 2,33,600 bonus shares) of ₹ 1/- each remain unallotted pending completion of required formalities.

(i) Reconciliation of the number of shares		
No. of equity shares at the beginning of the year	**23,80,76,780**	23,80,76,780
Shares bought back during the year	**25,00,000**	-
No. of Equity shares at the end of the year	**23,55,76,780**	23,80,76,780

(ii) Term/Rights/Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹1/- each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shareholders holding more than 5 percent in the Company / Shares held by Investor - Associates

	As at 31-03-2018		As at 31-03-2017	
	No. of Shares	**% of holding**	No. of Shares	% of holding
Ramco Industries Limited	**4,93,12,420**	**20.93**	4,93,12,420	20.71
Rajapalayam Mills Limited	**3,29,05,000**	**13.96**	3,29,05,000	13.82
Shri Vishnu Shankar Mill Limited	**38,83,200**	**1.65**	38,83,200	1.63
The Ramaraju Surgical Cotton Mills Limited	**36,24,000**	**1.54**	36,24,000	1.52
Sudharsanam Investments Limited	**29,82,600**	**1.27**	29,82,600	1.25

(iv) Aggregate number of equity shares of ₹ 1/- each the allotted as fully paid up by way of Bonus Shares during period of five years immediately preceding the reporting date	**1,07,400**	1,07,400
(v) Aggregate number of equity shares of ₹ 1/- each bought back during the period of five years immediately preceding the reporting date	**25,00,000**	-

Note

At the meeting held on 07-02-2017, the Board of Directors approved buy-back of shares upto a maximum size of ₹ 180 Crores at a price not exceeding ₹ 720/- per share and maximum of 25 Lac shares. The entire buy-back is completed through Open Market purchases on the Stock Exchanges. The Company had purchased 25 Lacs shares at an average rate of ₹ 673/- per share at a total cost of ₹ 168.12 Crores including brokerage and other charges and net of input tax credits. The Company had also completed the extinguishment formalities for the shares bought back and consequently the paid up shares of the company stands at 23,55,76,780 of ₹1/- each as at the reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 24		
OTHER EQUITY		
Capital Redemption Reserve		
Balance as per last financial statement	**1.38**	1.38
Add: Amount transferred from General Reserve	**0.25**	-
Total	**1.63**	1.38

Nature of Reserve

Capital Redemption Reserve was created for a sum equivalent to its face value at the time of Buy-back of Shares. The Company can use this reserve for issuing fully paid up Bonus shares.

Debenture Redemption Reserve		
Balance as per last financial statement	**50.00**	125.00
Less: Amount transferred to General Reserve to the extent of Debentures redeemed	**50.00**	75.00
Total	**-**	50.00

Nature of Reserve

Debenture Redemption Reserve represents statutory reserve for Non-convertible Debentures issued. This is in accordance with Companies Act, 2013, where in a portion of profit are appropriated each year equivalent to 25% of the face value of debentures issued and outstanding as at the reporting date. This reserve has been released upon redemption of debentures.

Capital Reserve on Consolidation		
Balance as per last financial statement	**49.01**	49.01
Total	**49.01**	49.01

Nature of Reserve

Capital Reserve on consolidation represents excess of the Parents' share of the net fair value of the investments in Associates over the cost of the investment which is recognised directly in equity as capital reserve upon transition to Ind AS.

General Reserve		
Balance as per last financial statement	**3,462.81**	2,840.94
Less: Amount transferred to Capital Redemption Reserve	**0.25**	-
Less: Amount utilised towards Buy-back of Equity Shares	**167.87**	-
Add: Amount transferred from Debenture Redemption Reserve	**50.00**	75.00
Add: Amount transferred from Retained Earnings	**468.01**	546.87
Total	**3,812.70**	3,462.81

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

Retained Earnings		
Balance as per last financial statement	**205.08**	91.54
Add: Profit for the year	**563.76**	662.74
Add: Transfer from FVTOCI Reserve	**(2.50)**	(2.33)
Balance available for Appropriations	**766.34**	751.95
Less: Appropriations		
Final Dividend (₹ 3/- per share for the year 2016-17; PY: Nil)	**70.75**	-
Dividend Distribution Tax on Final Dividend	**14.40**	-
Transfer to General reserve	**468.01**	546.87
Total Appropriations	**553.16**	546.87
Total	**213.18**	205.08

Nature of Reserve

Retained Earnings represent the undistributed profits of the Company remaining after transfer to other Reserves.

₹ In Crores

	31-03-2018	31-03-2017
Fair Value through Other Comprehensive Income Reserve (FVTOCI Reserve)		
Balance as per last financial statement	**3.37**	1.46
Other Comprehensive Income for the year	**(0.90)**	(0.42)
	2.47	1.04
Less: Transfer to Retained Earnings	**(2.50)**	(2.33)
Total	**4.97**	3.37

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Total	**4,081.49**	3,771.65

Note

The Board of Directors have recommended the payment of Final Dividend of ₹ 3/- per share for the year 2017-18 (FY 2016-17: ₹ 3/- per share). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

NOTE 24a

NON-CONTROLLING INTERESTS		
Share of Capital in Subsidiary	**0.29**	0.29
Share of Profit in Subsidiary	**2.94**	1.65
Total	**3.23**	1.94

NOTE 25

LONG TERM BORROWINGS		
Secured		
Term Loans from Banks	**47.47**	74.09
Soft Loan from Government	**126.47**	122.90
Unsecured		
Interest free Deferred Sales tax liability	**244.84**	314.05
Total	**418.78**	511.04

Notes

(a) Term Loans from Banks

(i) Pari passu first charge, by way of hypothecation, on Plant & machinery of the company, both present and future.

(ii) Pari passu first charge on fixed assets by the way of hypothecation of 33.24 MW of Wind Electric Generators (WEGs)

(iii) Term Loan from Banks amounting to ₹ 45 Crores and ₹ 2.47 Crores carrying on Effective Interest Rate of 7.15% p.a. and 8.15% p.a. respectively, is repayable in the year 2019-20.

(b) Soft Loan from Government

(i) The Company has measured the loans availed at a concessional rate at fair value. The difference between fair value of the loan and the carrying amount is classified as Deferred Grant.

Balance as at the beginning of the year	***122.90***	*118.27*
Add: Fair value of Soft loan availed during the year	***2.17***	*3.79*
Add: Interest on the fair value of soft loan as at the reporting date	***1.40***	*0.84*
Total	***126.47***	*122.90*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

(ii) Pari passu first charge, by way of hypothecation on the movable fixed assets and mortgage on the immovable properties pertaining to Cement unit located in Ariyalur, Expansion at Ramasamy Raja Nagar Plant, Grinding units at Chengalpattu and Salem.

(iii) This loan carries an interest rate of 0.10% p.a. and are repayable upon completion of 10th year from the date of availment.

(iv) Undiscounted value of the soft loan from government being, ₹ 145.11 Crores (Fair value as at the reporting date is ₹ 126.47 Crores), are repayable as per the schedule given below:

Repayment Due	*Instalment Amount*
April 2022	*30.74*
April 2023	*50.01*
April 2024	*30.02*
April 2025	*18.60*
April 2026	*10.00*
April 2027	*5.74*
Total	***145.11***

(c) Interest free Deferred Sales tax Liability

(i) The Company has availed Interest free Deferred Sales tax liability from State Government under Deferral Sales tax scheme for the Investments made in Alathiyur and Jayanthipuram plant, which are measured at transaction value.

(ii) The maturity profile of Interest free Deferred Sales tax liability is given below:

Repayment Due	*No. of Instalments*	*Instalment Amount*
2019 - 20	*12*	*99.75*
2020 - 21	*7*	*63.69*
2022 - 23	*4*	*16.24*
2023 - 24	*9*	*38.21*
2024 - 25	*4*	*18.64*
2025 - 26	*3*	*8.31*
Total	***39***	***244.84***

	31-03-2018	31-03-2017
NOTE 26		
PROVISIONS (LONG TERM)		
Provision for Mines Restoration Obligation	**8.65**	3.61
Total	**8.65**	3.61

Notes

(a) The Company provides for the expenses at fair value that are required to restore the mines based on the estimated mineral reserves available and is included in Cost of materials consumed. The unwinding of discount on provision is shown as Finance Costs in the Statement of Profit and Loss.

(b) Movement in Provisions for Mines Restoration Obligation

Carrying amount as at the beginning of the year	***3.61***	*1.64*
Provision created during the year	***4.41***	*1.70*
Unwinding of discount on provisions	***0.63***	*0.27*
Carrying amount as at the end of the year	***8.65***	*3.61*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ **In Crores**

NOTE 27

DEFERRED TAX LIABILITIES (NET)

Nature of Liability / (Asset)	Balance Sheet		Statement of Profit and Loss	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017
Tax Impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	**912.69**	887.75	**24.94**	20.33
Tax Impact on amortization of intangible assets	**0.32**	0.83	**(0.51)**	(0.66)
Tax impact on provision for compensated absences	**(8.88)**	(8.12)	**(0.76)**	(0.69)
Tax Impact on carry forward loss / unabsorbed depreciation	**(3.90)**	(5.25)	**1.35**	(0.60)
Tax impact on provision for bad and doubtful debts	**(3.47)**	(3.43)	**(0.04)**	0.12
Tax Impact on fair valuation of loans and advances	**-**	(0.94)	**0.94**	(0.24)
Tax Impact on MTM valuation of forward contract, not designated as hedges	**-**	(0.02)	**0.02**	(0.01)
Tax Impact on transaction cost of borrowings using effective interest rate method	**-**	0.02	**(0.02)**	(0.11)
Tax Impact on Asset related subsidy from Government	**(0.13)**	(0.15)	**0.02**	(0.15)
Tax Impact on Remeasurement gains and (losses) on defined benefit obligations (net)	**-**	(2.22)	**2.22**	(1.24)
Unused tax credits (i.e) MAT Credit Entitlement	**(135.43)**	(138.69)	**3.26**	(3.24)
Tax Impact on unrealised profit on assets	**(7.52)**	(7.18)	**(0.34)**	0.19
Others	**(0.51)**	(1.10)	**0.59**	(0.59)
Total	**753.17**	721.50	**31.67**	13.11

Reconciliation of Deferred tax Liabilities (Net)	**31-03-2018**	31-03-2017
Balance at the beginning of the year	**721.50**	*708.39*
Deferred Tax Expense / (Credit) recognised for profit before share of profit of associates	**30.08**	14.49
Deferred Tax Expense / (Credit) recognised in Share of profit of Associates	**(0.63)**	(0.14)
Deferred Tax charge / (credit) during the year recognised in OCI	**2.22**	(1.24)
Balance at the end of the year	**753.17**	721.50
Components of Tax Expenses		
(i) Profit or Loss Section		
Current Tax		
Current Income Tax charge	**205.84**	188.21
Excess tax provision related to earlier years written back	**(4.86)**	-
Deferred Tax		
Relating to the origination and reversal of temporary differences	**24.08**	17.73
MAT Credit Recognition	**(1.30)**	(1.20)
Deferred Tax adjustments of earlier year	**7.30**	(2.04)
Total Tax Expenses recognised in Profit or Loss section	**231.06**	202.70
(ii) Other Comprehensive Income Section		
Deferred Tax charge/(credit) on remeasurement losses on defined benefit obligations (net)	**-**	(1.24)
Deferred Tax adjustments of earlier year	**2.22**	-
Total Tax Expenses recognised in OCI	**2.22**	(1.24)
(iii) Total Tax Expenses recognised in Statement of Profit and Loss	**233.28**	201.46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarised below:

	31-03-2018	31-03-2017
Accounting Profit before Tax (including OCI) & before share of profit of Associates	**791.78**	854.43
Corporate Tax Rate %	**34.608%**	34.608%
Computed Tax Expense	**274.02**	295.70
Increase/(reduction) in taxes on account of:		
Tax adjustments of earlier years	**4.66**	0.18
Non-deductible expenses	**3.92**	2.77
Income exempt / eligible for deduction under chapter VI-A	**(56.60)**	(83.77)
Additional allowances / deductions for tax purposes	**(0.72)**	(12.89)
Change in tax rate during the year	**8.53**	–
Different tax rates / tax adjustments between the members of the group	**(0.53)**	(0.53)
Tax Expenses reported in the Statement of Profit and Loss	**233.28**	201.46

Notes

(a) Deferred tax relating to origination and reversal of temporary differences include ₹ 8.53 Crores due to change in tax rate from 34.608% to 34.944%.

(b) Regular method of computation is applicable for Current tax for the year.

(c) Tax adjustments of earlier years represent amount provided for / written back based on recent assessment orders.

(d) A deferred tax liability in respect of temporary differences related to undistributed profit in subsidiary has not been recognized because the Group control the dividend policy of its subsidiary and the management is satisfied that they are not expecting to distribute profit in the foreseeable future.

NOTE 28

DEFERRED GOVERNMENT GRANTS (NON-CURRENT)		
Deferred Government Grant	**12.71**	11.48
Total	**12.71**	11.48

Notes

(a) Deferred Government Grants comprises of -

(i) Fair value of Interest benefit below market rate of Interest pertaining to Soft Loan from Government is recognised as Deferred Grant and recognised as Grant Income over the useful life of the underlying PPE.

(ii) Industrial Promotion Assistance (IPA) provided by Department of Industries, Government of Andhra Pradesh towards creation of infrastructure facilities is recognised as 'Grant Income' over the useful life of the underlying PPE.

(b) Movement in Government Grants

As at the beginning of the year	***12.44***	*8.29*
Add: Recognition of Deferred Grant - Soft Loan from Government	***3.56***	*6.21*
Add: Recognition of Deferred Grant - IPA for Infrastructure facilities	*-*	*1.00*
Less: Recognised as Grant Income in the Statement of Profit and Loss (Refer Note 36)	***2.16***	*3.06*
Total Deferred Government Grant	***13.84***	*12.44*
Less: Current portion of Government Grant (Refer Note 34)	***1.13***	*0.96*
Non-Current Deferred Government Grants	***12.71***	*11.48*

NOTE 29

SHORT TERM BORROWINGS		
Secured		
Loan from Banks	**105.00**	25.00
Cash credit	**290.32**	131.67
Unsecured		
Loans and advances from Director	**0.32**	17.35
Loan from Banks	**187.00**	-
Commercial Papers	**-**	460.49
Total	**582.64**	634.51

₹ In Crores

Notes

(a) Borrowings are secured by way of first pari passu hypothecation charge on trade receivables and inventories of the company, present and future.

(b) Loans and advances from Director represents amount due to Chairman and Managing Director, which carries an interest rate of 6.75% p.a. (PY: 7.50% p.a.) amounting to ₹ 0.40 Crores (PY: ₹ 0.76 Crores).

(c) Other short term borrowings carry interest ranging from 6.18% to 8.90% p.a.

(d) Refer Note 55 for information about risk profile of borrowings under Financial Risk Management.

	31-03-2018	31-03-2017
NOTE 30		
TRADE PAYABLES		
Payables to Related parties (Refer Note 53[c2])	**-**	0.02
Others	**267.91**	256.20
Total	**267.91**	256.22

Notes

(a) There are no dues to Micro and Small Enterprises as at the reporting date (PY: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent of such parties that have been identified on the basis of information available with the company.

(b) Refer Note 55 for information about risk profile of Trade payables under Financial Risk Management.

NOTE 31

OTHER FINANCIAL LIABILITIES		
Foreign Exchange Forward Contracts, not designated as hedges	**-**	0.06
Current Maturities of Long Term Borrowings	**119.16**	291.61
Interest accrued	**1.04**	9.71
Unclaimed dividends	**2.59**	2.79
Disputed Dividend	**1.78**	1.80
Unclaimed Matured Fixed Deposits	**0.01**	0.01
Security Deposits by		
- Associates (Refer Note 53[c5] & 53[c6])	**0.26**	0.26
- Other related parties (Refer Note 53[c5])	**0.35**	0.35
- Customers	**552.04**	614.67
- Service providers	**4.00**	3.81
Payables for Capital Goods	**39.16**	24.34
Financial Guarantee Obligation (Refer Note 47)	**4.77**	5.82
Book overdraft	**53.32**	45.85
Other payables	**1.66**	1.27
Total	**780.14**	1,002.35

Notes

(a) Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates with certain payables in foreign currencies. These are not designated for hedge accounting and thus are measured at fair value through profit or loss. The details of forward contract outstanding as at the reporting date are given below:

Particulars	*Currency*	***31-03-2018***	*31-03-2017*
Forward Contracts (Sell)	*USD in Crores*	**-**	*0.34*
Net (Gain)/Loss on Mark to Market in respect of forward contracts outstanding as at the reporting date	*INR in Crores*	**-**	*0.06*

Refer Note 54 for information about fair value hierarchy under Disclosure of Fair value measurements.

(b) Current maturities of Long term Borrowings comprises of maturities towards:

8.55% Non-convertible Debentures redeemable at par	**-**	*99.96*
8.70% Non-convertible Debentures redeemable at par	**-**	*99.98*
Term Loan from Banks	***49.95***	*38.26*
Interest free Deferred Sales tax liability	***69.21***	*53.41*
Total	***119.16***	*291.61*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ **In Crores**

The un-amortised transaction cost adjusted against current maturities as at the reporting date is Nil (PY: ₹ 0.06 Crores). The details with regard to nature of security are furnished in Note 25.

(c) Unclaimed Dividends / Fixed deposits represent amount not due for transfer to Investor Education and Protection Fund.

(d) Disputed Dividend represents amounts claimed by the dividend warrant holders, which are subject matter of pending legal disputes.

(e) The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other Income over the tenure of the corporate guarantee.

	31-03-2018	31-03-2017
NOTE 32		
OTHER CURRENT LIABILITIES		
Statutory liabilities payable	**82.50**	50.44
Advances from Customers	**60.67**	29.95
Total	**143.17**	80.39

Note

Advances from Customers are received in the normal course of business and adjusted against subsequent supplies.

NOTE 33

PROVISIONS (SHORT TERM)		
Provision for Compensated absences	**25.43**	23.46
Provision for disputed income tax liabilities	**23.01**	23.05
Total	**48.44**	46.51

Notes

(a) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

(b) Movement in Provisions for compensated absences

Carrying amount as the beginning of the year	***23.46***	*21.48*
Add: Current Service Cost	***0.76***	*0.98*
Add: Interest Cost	***1.64***	*1.68*
Add: Actuarial Loss	***1.56***	*0.72*
Less: Benefits paid	***1.99***	*1.40*
Carrying amount as at the end of the year	***25.43***	*23.46*

(c) The Company provides for income tax liability based on the various disallowances in the assessments.

(d) Movement in Provisions for disputed income tax liabilities

Carrying amount as the beginning of the year	***23.05***	*15.24*
Add: Provision reclassified from Liabilities for current tax	***4.82***	*7.81*
Less: Excess provision written back during the year	***4.86***	*-*
Carrying amount as at the end of the year	***23.01***	*23.05*

NOTE 34

DEFERRED GOVERNMENT GRANTS (CURRENT)		
Deferred Government Grants (Refer Note 28)	**1.13**	0.96
Total	**1.13**	0.96

NOTE 35

LIABILITIES FOR CURRENT TAX		
Provision for Current tax	**33.00**	4.54
Total	**33.00**	4.54

Note

Provision for current tax is after netting of advance tax / TDS of ₹ 172.84 Crores (PY: ₹ 183.76 Crores).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 36		
REVENUE FROM OPERATIONS		
Sale of Products		
Domestic Sales		
Cement	**4,361.53**	4,366.27
Clinker	**17.91**	16.35
Dry Mortar Product	**27.05**	28.86
Ready Mix Concrete	**15.63**	7.61
Export Sales		
Cement - Direct Exports	**2.83**	33.44
Cement - Deemed Exports	**10.13**	16.89
Cement - Sale through Foreign branch	**43.01**	2.02
Other Operating Revenue		
Sale of power generated from Windmills	**84.39**	90.18
Scrap Sales	**10.03**	10.84
Industrial Promotion Assistance	**9.08**	6.50
Deferred Grant Income (Refer Note 28)	**2.16**	3.06
Total	**4,583.75**	4,582.02

Notes

(a) As per the Guidance Note on Division II, Ind AS Schedule III to the Companies Act, 2013 issued by ICAI, Revenue includes only the gross inflows of economic benefits received and receivable by the entity on its own account. Amounts collected such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they have to be excluded from revenue. On the other hand, the recovery of excise duty is an inflow that the entity receives on its own account since the Company acts as a principal in collecting the excise duty and therefore the revenue has to be grossed up to include excise duty.

(b) Goods and Service Tax (GST) has been effective from 01-07-2017. Consequently, Excise Duty, Value Added Tax (VAT), Service Tax etc. have been replaced with GST. Until 30-06-2017, 'Sale of Products' and 'Scrap Sales' include the amount of Excise Duty recovered on Sales. With effect from 01-07-2017, 'Sale of Products' and 'Scrap Sales' excludes the amount of GST recovered. Accordingly, Revenue from 'Sale of Products', 'Scrap Sales' and 'Revenue from Operations' for the year ended 31-03-2018 are not comparable with those of the previous year. However, the revenue from operations net of duties and taxes is furnished as below:

Revenue from Operations (net of GST and VAT)		***4,583.75***	*4,582.02*
Less: Excise Duty		***159.95***	*614.69*
Revenue from Operations, net of duties and taxes		***4,423.80***	*3,967.33*

(c) The Company has generated 30.59 Crore units (PY: 31.99 Crore units) net of wheeling and banking at windfarms. Out of 30.59 Crore units (PY: 31.99 Crore units) of power generated,

- Units sold to TANGEDCO for ₹ 66.96 Crores (PY: ₹ 72.44 Crores) shown under 'Sale of power generated from windmills'.	*In Crore units*	***22.24***	*23.93*
- Units sold to related parties for ₹ 17.43 Crores (PY: ₹ 17.74 Crores) shown under 'Sale of power generated from windmills'.	*In Crore units*	***4.35***	*4.52*
- Units consumed at the cement plants. The monetary value of such units was not recognised as it is inter-divisional transfer	*In Crore units*	***3.48***	*3.11*
- Units adjusted towards transmission loss	*In Crore units*	***0.44***	*0.39*
- Unadjusted units eligible for adjustment in subsequent periods. The monetary value of such units is ₹ 0.22 Crores (PY: ₹ 0.10 Crores) and the same is included in 'Unbilled Revenue' under 'Other Financial Assets'.	*In Crore units*	***0.08***	*0.04*

(d) Income recognised as Industrial Promotion Assistance represents amount receivable from Government of Andhra Pradesh under IDP 2015-20 Scheme.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

NOTE 37	31-03-2018	31-03-2017
OTHER INCOME		
Interest Income	**12.65**	22.91
Dividend Income	**0.09**	0.09
Sundry Receipts	**11.23**	2.42
Rent Receipts	**8.66**	7.74
Carbon Credit sales	**-**	0.27
Income from merchant power	**0.03**	5.55
Gain on Exchange Difference (net)	**-**	0.18
Fair value gain on Mutual Funds	**0.02**	0.05
Profit on Sale of Property, plant and equipment (net)	**-**	0.73
Total	**32.68**	39.94

Notes

(a) Interest Income include interest receivable for settlement of overdue outstandings by TANGEDCO for ₹ 2.92 Crores (PY: ₹ 15.58 Crores). Interest Income comprises of amount recognised as income from financial assets that are measured at Amortized Cost calculated using effective interest rate method.

(b) Dividend Income comprises of amount received towards securities measured at:

- Fair value through Profit and Loss (FVTPL)	***0.03***	*0.03*
- Fair value through Other Comprehensive Income (FVTOCI)	***0.06***	*0.06*
Total	***0.09***	*0.09*

There were no dividend income relating to investments derecognised during the reporting period.

(c) Operating lease rent receivable under non-cancellable leases for future periods from the reporting date as a Lessor:

Not Later than one year	***6.49***	*7.50*
Later than one year and not later than five years	***1.68***	*7.65*
Later than five years	***7.86***	*7.85*

(d) Sundry Receipts include Duty Drawback from Customs towards Exports of ₹ 0.29 Crores (PY: ₹ 0.32 Crores) and fair value recognition of financial guarantee contracts of ₹ 1.18 Crores (PY: ₹ 1.69 Crores).

(e) Income from merchant power is after netting off directly attributable expenses of ₹ 3.34 Crores (PY: ₹ 16.50 Crores).

NOTE 38		
COST OF MATERIALS CONSUMED		
Lime stone	**298.47**	252.78
Pozzolona Material	**99.87**	90.93
Gypsum	**34.06**	32.91
Aggregates	**18.48**	9.60
Other Additives	**71.97**	60.52
Freight & Handling - Inter unit clinker transfer	**207.26**	171.59
Material handling expenses	**6.57**	6.05
Total	**736.68**	624.38

NOTE 39		
PURCHASE OF STOCK-IN-TRADE		
Cement	**30.00**	31.07
Total	**30.00**	31.07

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

NOTE 40	31-03-2018	31-03-2017
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Closing Stock		
Finished Goods	**36.19**	40.60
Work-in-progress	**55.97**	48.48
	92.16	89.08
Opening stock		
Finished Goods	**40.60**	45.40
Work-in-progress	**48.48**	58.91
	89.08	104.31
(Increase)/Decrease in stock	**(3.08)**	15.23
Excise Duty on Stock variance (*)	**(13.02)**	(0.29)
Total	**(16.10)**	14.94

(*) It includes Excise duty on closing stock at depots amounting to ₹ 2.45 Crores which was availed as input tax credit upon transition to GST.

NOTE 41		
EXCISE DUTY ON SALE OF GOODS (Refer Note 36a & 36b)		
Excise Duty on Sale of Cement	**158.51**	608.30
Excise Duty on Sale of Clinker	**0.45**	2.18
Excise Duty on Sale of Dry Mortar Product	**0.72**	3.05
Excise Duty on Sale of Ready Mix Concrete	**0.08**	0.15
Excise Duty on Scrap Sales	**0.19**	1.01
Total	**159.95**	614.69

Note: Consequent to introduction of GST with effect from 01-07-2017, the levy of Excise duty has been subsumed into GST.

NOTE 42		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	**255.82**	233.59
Workmen and Staff welfare	**24.67**	22.56
Contribution to Provident Fund	**13.62**	12.83
Contribution to Gratuity Fund	**2.67**	2.21
Contribution to National Pension System	**1.19**	1.07
Contribution to Superannuation Fund	**6.88**	6.26
Total	**304.85**	278.52

Note: Refer Note 48 for the disclosures required under Ind AS 19.

NOTE 43		
FINANCE COSTS		
Interest on Term loans	**51.10**	63.06
Interest on Debentures	**6.26**	40.78
Exchange differences regarded as an adjustment to borrowing costs	**0.35**	-
Others	**2.28**	1.04
Total	**59.99**	104.88

Notes

(a) Interest on Term loans and Debentures represent interest calculated using the effective interest rate method.

(b) Exchange differences regarded as an adjustment to borrowing costs represent foreign exchange difference on foreign currency borrowings considered as an adjustment to borrowing costs in accordance with para 6(e) and 6A of Ind AS 23.

(c) The above Finance Costs is net of capitalised portion of ₹ 4.47 Crores (PY: Nil) attributable to the qualifying assets.

(d) Others include unwinding of discounts on provisions of ₹ 0.63 Crores (PY: ₹ 0.27 Crores)

(e) Refer Note 55 for information about Interest rate risk exposure under Financial Risk Management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	31-03-2018	31-03-2017
NOTE 44		
DEPRECIATION & AMORTISATION EXPENSE		
Depreciation on Property, Plant & Equipment (Refer Note 7)	**257.50**	252.48
Depreciation on Investment Property (Refer Note 9)	**2.12**	1.97
Amortization of Intangible Assets (Refer Note 10)	**33.89**	31.38
Total	**293.51**	285.83
NOTE 45		
OTHER EXPENSES		
Manufacturing Expenses		
Packing Materials consumption	**168.63**	149.86
Stores and Spares consumption	**61.62**	67.84
Repairs to Plant and equipments	**68.22**	55.18
Repairs to Buildings	**11.37**	11.83
Repairs to Vehicles and locomotives	**8.19**	8.10
General repairs	**0.29**	0.43
Establishment Expenses		
Managing Director Remuneration	**38.48**	44.42
IT & Communication expenses	**16.75**	19.13
Insurance	**10.41**	8.91
Exchange Difference (Net)	**0.05**	-
Outsourced establishment expenses	**4.89**	7.33
General Administration Expenses	**3.63**	3.27
Travelling expenses	**25.04**	17.56
Training & Development Expenses	**0.45**	0.28
Filing & Registration Fees	**0.29**	0.35
Rent	**12.75**	11.33
Miscellaneous Expenses	**10.23**	6.01
Legal and Consultancy expenses	**3.53**	2.99
Bank Charges	**0.82**	0.54
Cement Cess	**-**	0.21
Audit Fees and Expenses	**0.40**	0.36
Security Charges	**16.17**	15.61
Board Meeting expenses	**0.10**	0.06
Directors' Sitting fees	**0.25**	0.22
PPE impaired & written off	**9.50**	7.70
Donations	**0.39**	0.44
CSR expenditure	**10.93**	7.28
Input Tax Credit reversal	**1.66**	5.79
Rates and taxes	**13.67**	17.73
Loss on Sale of PPE (net)	**1.07**	-
Selling and Distribution Expenses		
Advertisement expenses	**34.92**	32.70
Sales Promotion expenses	**46.38**	40.02
Selling Agents' Commission	**14.03**	9.57
Other Selling expenses	**3.57**	2.29
Bad Debts written off	**0.42**	0.72
Total	**599.10**	556.06

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ **In Crores**

Notes

(a) Non cancelable long term operating lease obligations for future periods from the reporting date as a Lessee

	31-03-2018	31-03-2017
Not Later than one year	***0.31***	*0.37*
Later than one year and not later than five years	***0.91***	*0.98*
Later than five years	***3.92***	*4.15*

(b) Audit Fees and Expenses (net of tax credits)

Statutory Auditors		
- Statutory Audit [include Foreign Branch Audit fees of ₹ 0.01 Crores (PY: 0.01 Crores)]	***0.24***	*0.22*
- Other Certification work	***0.02***	*0.00*
- Reimbursement of Expenses	***0.03***	*0.03*
Tax Auditors		
- Tax Audit	***0.03***	*0.03*
- Other Certification work	***0.00***	*0.01*
- Reimbursement of Expenses	***0.00***	*0.00*
Cost Auditors		
- Cost Audit	***0.04***	*0.04*
- Reimbursement of Expenses	***0.00***	*0.00*
Secretarial Auditors		
- Secretarial Audit	***0.04***	*0.03*
- Reimbursement of Expenses	***0.00***	*0.00*
Total	***0.40***	*0.36*

As per our report annexed

For SRSV & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. SANTHANAM
Partner
Membership No. 018697

Chennai
23-05-2018

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Registration Number: 005333S

M. VIJAYAN
Partner
Membership No. 026972

P.R.VENKETRAMA RAJA
Chairman and Managing Director

A.V. DHARMAKRISHNAN
Chief Executive Officer

S.VAITHIYANATHAN
Chief Financial Officer

K.SELVANAYAGAM
Secretary

DISCLOSURES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

₹ **In Crores**

46.

Contingent Liabilities	**As at 31-03-2018**	As at 31-03-2017
Guarantees given by the bankers on behalf of Group	**155.72**	90.08
Demands / Claims not acknowledged as Debts in respect of matters in appeals by		
- Parent	**943.63**	1,004.04
- Parent's share in Associates	**12.37**	7.63

47.

Financial guarantees	**As at 31-03-2018**	As at 31-03-2017
Guarantees given to banks to avail loan facilities by Related parties:		
- Thanjavur Spinning Mill Limited	**12.50**	12.50
- Raja Charity Trust	**100.00**	100.00

48. As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

Defined Contribution Plan

Particulars	**31-03-2018**	31-03-2017
Employer's Contribution to Provident Fund	**13.62**	12.83
Employer's Contribution to National Pension System (NPS)	**1.19**	1.07
Employer's Contribution to Superannuation Fund	**6.88**	6.26

Defined Benefit Plan - 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 read with Payment of Gratuity Act 1972. This is a defined benefit plan in nature. The Group makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Group has the exposure of 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.

Defined Benefit Plan (Gratuity) and Other Long term benefits (Compensated Absences)

Particulars	**Gratuity Plan (Funded)**		**Compensated Absences (Unfunded)**	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017
Reconciliation of Opening and Closing balances of Present Value of Obligation				
Defined Benefit Obligation as at the beginning of the year	**46.92**	39.76	**23.46**	21.48
Current Service Cost	**2.78**	2.44	**0.76**	0.98
Interest Cost	**3.33**	3.16	**1.64**	1.68
Actuarial Loss	**0.42**	3.12	**1.56**	0.72
Benefits paid	**(-) 2.69**	(-) 1.56	**(-) 1.99**	(-) 1.40
Defined Benefit Obligation as at the end of the year	**50.76**	46.92	**25.43**	23.46

Particulars	Gratuity Plan (Funded)		Compensated Absences (Unfunded)	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017

Reconciliation of Opening and Closing balances of Fair Value of Plan Assets

Fair value of Plan Assets as at the beginning of the year	**46.92**	39.76	**Nil**	Nil
Expected Return on Plan Assets	**3.43**	3.39	**Nil**	Nil
Actuarial Loss	**0.15**	(-) 0.45	**Nil**	Nil
Employer contribution	**2.95**	5.78	**1.99**	1.40
Benefits paid	**(-) 2.69**	(-) 1.56	**(-) 1.99**	(-) 1.40
Fair Value of Plan Assets as at the end of the year	**50.76**	46.92	**Nil**	Nil

Actual Return on Plan Assets

Expected Return on Plan Assets	**3.43**	3.39	**Nil**	Nil
Actuarial Loss on Plan Assets	**0.15**	(-) 0.45	**Nil**	Nil
Actual Return on Plan Assets	**3.58**	2.94	**Nil**	Nil

Reconciliation of Fair Value of Assets and Obligations

Fair Value of Plan Assets	**50.76**	46.92	**Nil**	Nil
Present value of Obligation	**50.76**	46.92	**25.43**	23.46
Difference	**Nil**	Nil	**25.43**	23.46
Amount recognized in Balance Sheet	**Nil**	Nil	**25.43**	23.46

Expense recognized during the year

Current Service Cost	**2.78**	2.44	**0.76**	0.98
Net Interest on obligations	**(-) 0.11**	(-) 0.23	**1.64**	1.68
Actuarial Loss / (Gain) recognised during the year	**Nil**	Nil	**1.56**	0.72
Past service cost	**Nil**	Nil	**Nil**	Nil
Expenses recognised in Statement of Profit and Loss	**2.67**	2.21	**3.96**	3.38

Amount recognised in the Other Comprehensive Income

Actuarial changes arising from:				
- Experience adjustments on Plan liabilities	**1.93**	1.43	**Nil**	Nil
- Experience adjustments on Plan Assets	**(-) 0.15**	0.45	**Nil**	Nil
- Changes in financial assumptions	**(-) 1.50**	1.69	**Nil**	Nil
- Changes in demographic assumptions	**-**	-	**Nil**	Nil
Amount recognised in OCI during the year	**0.28**	3.57	**Nil**	Nil

Investment Details

Funds with LIC	**47.05**	43.77	**Nil**	Nil
Bank balance	**0.01**	-	**Nil**	Nil
Interest, IT refund receivable and Others	**3.70**	3.15	**Nil**	Nil
Total	**50.76**	46.92	**Nil**	Nil

Particulars	Gratuity Plan (Funded)		Compensated Absences (Unfunded)	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017

Actuarial assumptions

LIC 1996-98 Table applied for service mortality rate	**Yes**	Yes	**Yes**	Yes
Discount rate p.a	**8.00%**	7.30%	**8.00%**	7.30%
Expected rate of Return on Plan Assets p.a	**8.00%**	7.30%	**Nil**	Nil
Rate of escalation in salary p.a	**3.50%**	3.25%	**3.50%**	3.25%
Rate of Employee turnover	**1.00%**	1.00%	**1.00%**	1.00%

Estimate of Expected Benefit Payments

Year 1	**8.38**	7.35	**3.85**	3.41
Year 2	**10.18**	8.71	**4.92**	4.16
Year 3	**4.14**	3.39	**1.76**	1.62
Year 4	**4.45**	3.75	**1.83**	1.59
Year 5	**5.55**	4.01	**2.34**	1.65
Next 5 years	**20.97**	20.34	**9.05**	8.61

Gratuity Plan (Funded)	**31-03-2018**	31-03-2017
Enterprise's best estimate of contribution during next 12 months	**2.86**	2.94
Average Duration of defined benefit obligations (in years)	**7.20**	7.50

Quantitative Sensitivity Analysis for significant assumptions

Particulars	Effect on Gratuity Obligation		Effect on provision for Compensated Absences	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017
0.50% Increase in Discount Rate	**49.15**	45.34	**24.62**	22.69
0.50% Decrease in Discount Rate	**52.48**	48.61	**26.26**	24.28
0.50% Increase in Salary Growth Rate	**52.57**	48.69	**26.29**	24.31
0.50% Decrease in Salary Growth Rate	**49.05**	45.26	**24.58**	22.66
0.50% Increase in Attrition Rate	**51.46**	47.53	**25.73**	23.74
0.50% Decrease in Attrition Rate	**50.03**	46.28	**25.08**	23.17

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

49. Disclosure of Interests in Subsidiary

Name of the entity	Place of Business / Country of Incorporation	Principal activities of Business
Ramco Windfarms Limited	India	Generation of power through windmills

Particulars	**31-03-2018**	31-03-2017
Ownership interest held by the Group	**71.50%**	71.50%
Non-controlling Interest (NCI)	**28.50%**	28.50%

₹ in Crores

Non-controlling interest (NCI)	**31-03-2018**	31-03-2017
Accumulated balances of NCI	**3.23**	1.94
Profit allocated to NCI	**1.29**	1.24
Dividend paid to NCI	**-**	-

The summarised separate financial information of subsidiary is as below: **₹ in Crores**

Balance sheet	**31-03-2018**	31-03-2017
Non-current assets	**46.34**	48.43
Current assets	**2.15**	3.20
Total Assets	**48.49**	51.63
Non-current liabilities	**31.31**	39.37
Current liabilities	**5.86**	5.48
Total Liabilities	**37.17**	44.85
Total Equity	**11.32**	6.78
Profit and Loss	**31-03-2018**	31-03-2017
Revenue	**17.45**	17.81
Profit for the year	**4.54**	4.35
Other comprehensive income	**-**	-
Total comprehensive Income	**4.54**	4.35
Summarised Cash flow	**31-03-2018**	31-03-2017
Cash flows from operating activities	**11.44**	11.95
Cash flows from investing activities	**(0.33)**	(0.48)
Cash flows from financing activities	**(12.34)**	(10.14)
Net Increase/(Decrease) in cash and cash equivalents	**(1.23)**	1.33

50. Disclosure of Interests in Associates under equity method

Name of the Associates	Location	Principal activities of Business
Material Associates		
Ramco Industries Limited (RIL)	India	Manufacturer of Building materials
Ramco Systems Limited (RSL)	India	Software development
Rajapalayam Mills Limited (RML)	India	Manufacturer of cotton yarn
Immaterial Associates		
Shri Vishnu Shankar Mill Limited (SVSML)	India	Manufacturer of cotton yarn
Madurai Trans Carrier Limited (MTCL)	India	Aircraft charter services
Lynks Logistics Limited (LLL)	India	Goods transport services

Name of the Associates	% of ownership interest	
	31-03-2018	**31-03-2017**
Ramco Industries Limited	**15.43**	15.43
Ramco Systems Limited	**17.74**	17.82
Rajapalayam Mills Limited	**0.35**	0.35
Shri Vishnu Shankar Mill Limited	**0.14**	0.14
Madurai Trans Carrier Limited	**29.86**	29.86
Lynks Logistics Limited	**48.78**	45.57

Summarised financial information for Associates

The summarised consolidated financial statements of the material associates are as below:

Balance sheet	Non-current Assets	Investment in Associates	Current Assets	Non-current Liabilities	Current Liabilities	Total Equity
As at 31-03-2018						
Ramco Industries Limited	476.44	2331.50	507.40	90.85	339.00	2885.49
Ramco Systems Limited	435.57	1.25	315.36	18.46	179.15	554.57
Rajapalayam Mills Limited	326.63	1381.24	187.24	76.43	217.60	1601.08
As at 31-03-2017						
Ramco Industries Limited	471.75	2236.12	549.85	80.27	467.18	2710.27
Ramco Systems Limited	402.07	1.11	278.53	15.62	125.35	540.74
Rajapalayam Mills Limited	336.48	1292.80	210.31	107.09	244.26	1488.24

Note: The above financial information is amended to determine the share of interest in associates.

Profit and Loss	RIL		RSL		RML	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017	**31-03-2018**	31-03-2017
Total Revenue	**990.02**	965.10	**478.94**	459.32	**432.27**	414.57
Profit before tax	**111.98**	79.45	**34.13**	(30.60)	**14.09**	37.85
Tax expenses	**33.19**	24.14	**22.70**	(41.32)	**(3.91)**	2.50
Profit after tax	**78.79**	55.31	**11.43**	10.72	**18.00**	35.35
Share of profit in Associate / Minority Interest	**97.24**	147.39	**(0.14)**	0.15	**97.43**	109.84
OCI	**6.10**	6.02	**(1.09)**	(0.55)	**0.18**	(0.12)
TCI	**182.13**	208.72	**10.20**	10.32	**115.61**	145.07

OCI: Other Comprehensive Income; TCI: Total comprehensive income.

Name of the material Associates	Fair value of investments (₹ In Crores)	
	31-03-2018	31-03-2017
Ramco Industries Limited	**307.50**	319.87
Ramco Systems Limited	**192.44**	208.21
Rajapalayam Mills Limited	**2.80**	2.17

Share of contingent liabilities in respect of associates **₹ in Crores**

Name of the Associates	31-03-2018	31-03-2017
Ramco Industries Limited	**13.48**	5.40
Ramco Systems Limited	**5.43**	2.19
Rajapalayam Mills Limited	**0.05**	0.04

Reconciliation to the carrying amount of investment in associates

Particulars	RIL		RSL		RML	
	31-03-2018	31-03-2017	**31-03-2018**	31-03-2017	**31-03-2018**	31-03-2017
Entity's TCI	**182.13**	208.72	**10.20**	10.32	**115.61**	145.07
Entity's Adjusted TCI	**86.44**	63.28	**10.20**	10.32	**28.44**	53.60
Effective shareholding %	**15.46%**	15.46%	**17.74%**	17.82%	**0.61%**	0.61%
Associates share of profit / OCI	**13.36**	9.79	**1.81**	1.84	**0.18**	0.34
Less: Unrealised profit on inter-company transactions (net of tax)	**1.37**	-	**0.28**	0.45	**-**	-
Amount recognised in P & L	**11.99**	9.79	**1.53**	1.39	**0.18**	0.34
Reconciliation						
Opening Carrying amount	**67.72**	57.93	**107.50**	105.66	**1.06**	0.72
Add: Associates' share of Profit / OCI	**13.36**	9.79	**1.81**	1.84	**0.18**	0.34
Less: Dividend received	**0.67**	-	**-**	-	**0.01**	-
Net Carrying amount	**80.41**	67.72	**109.31**	107.50	**1.23**	1.06

Notes

(1) Adjusted TCI represents total comprehensive income of the entity after eliminating effects of reciprocal interests and unrealised profits.

(2) Effective shareholding represents the aggregate of direct holding and indirect holding through fellow associates.

The Group's aggregate share of profit and other comprehensive income in its individually immaterial associates are furnished below:

Aggregate amounts of Group's share of :	31-03-2018	31-03-2017
Profit after tax	**(8.06)**	(0.93)
Other Comprehensive Income	**(0.00)**	(0.00)
Total comprehensive Income	**(8.06)**	(0.93)

51. Earnings per Share **₹ In Crores**

Particulars	31-03-2018	31-03-2017
Net profit after tax (A)	**563.76**	662.74
Weighted average number of Equity shares including un-allotted Bonus shares (B) [In Crores]	**22.92**	23.03
Nominal value per equity share (in ₹)	**1**	1
Basic & Diluted Earnings per share (A)/(B) in ₹	**25**	29

Note: Treasury shares of 0.77 Crore shares (PY: 0.77 Crore shares) computed based on holdings through fellow associates.

52. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2018:

(a) Associates

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2018	31-03-2017
Ramco Industries Limited	India	**15.43**	15.43
Ramco Systems Limited	India	**17.74**	17.82
Rajapalayam Mills Limited	India	**0.35**	0.35
Shri Vishnu Shankar Mill Limited	India	**0.14**	0.14
Madurai Trans Carrier Limited	India	**29.86**	29.86
Lynks Logistics Limited	India	**48.78**	45.57

(b) Key Management Personnel (Including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
P.R. Ramasubrahmaneya Rajha	Chairman and Managing Director *(upto 11-05-2017)*
P.R. Venketrama Raja	Chairman and Managing Director *(from 04-06-2017)*
A.V. Dharmakrishnan	Chief Executive Officer
S. Vaithiyanathan	Chief Financial Officer
K. Selvanayagam	Company Secretary
R.S. Agarwal	Independent Director
M.B.N. Rao	Independent Director
M.M. Venkatachalam	Independent Director
Justice Chitra Venkataraman (Retd.)	Independent Director
M.F. Farooqui	Independent Director

(c) Relative of Key Management Personnel

Name of the Relative of KMP	Relationship
A.V. Dharmakrishnan (HUF)	A. V. Dharmakrishnan, Karta for HUF
R. Nalina Ramalakshmi	Daughter of P.R. Ramasubrahmaneya Rajha
S. Sharada Deepa	Daughter of P.R. Ramasubrahmaneya Rajha
B. Sri Sandhya Raju	Daughter of P.R.Venketrama Raja
P.V. Abinav Ramasubramaniam Raja	Son of P.R. Venketrama Raja

(d) Companies over which KMP/Relatives of KMP exercise significant influence

Rajapalayam Textile Limited	Thanjavur Spinning Mill Limited
Sandhya Spinning Mill Limited	The Ramaraju Surgical Cotton Mills Limited
Sri Harini Textiles Limited	Shri Harini Media Limited
JKR Enterprise Limited	Ontime Industrial Services Limited
Ramco Management Private Limited	Sudharsanam Investments Limited

(e) Employee Benefit Funds where control exists

The Ramco Cements Limited Officers' Superannuation Fund
The Ramco Cements Limited Employees' Gratuity Fund

(f) Other entities over which there is a significant influence

Smt. Lingammal Ramaraju Shastra Prathishta Trust	Gowrishankar Screws
PACR Sethuramammal Charity Trust	PACR Sethuramammal Charities
Ramco Welfare Trust	PAC Ramasamy Raja Education Charity Trust
Raja Charity Trust	Rajapalayam Rotary Trust
Shri Abhinava Vidya Theertha Seva Trust	Nachiar Charity Trust
Gowrihouse Metal Works	PAC Ramasamy Raja Centenary Trust
R. Sudarsanam & Co.	The Ramco Cements Limited Educational and Charitable Trust

53. Disclosure in respect of Related Party Transactions (excluding Reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent **₹ In Crores**

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
1	**Sale of Goods – Cement**		
	Associates		
	Ramco Industries Limited	**9.91**	12.46
	Rajapalayam Mills Limited	**0.10**	0.04
	Sri Vishnu Shankar Mill Limited	**0.03**	0.03
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	**0.03**	0.01
	Thanjavur Spinning Mill Limited	**0.01**	0.01
	Sri Harini Textiles Limited	**0.00**	0.00
	The Ramaraju Surgical Cotton Mills Limited	**0.04**	0.93
	Rajapalayam Textile Limited	**0.01**	-
	JKR Enterprise Limited	**0.17**	0.14
	Other entities over which there is a significant influence		
	Gowrihouse Metal Works	**0.00**	0.00
	Total	**10.30**	13.62
2	**Sale of Goods – Fly ash**		
	Associates		
	Ramco Industries Limited	**0.42**	0.03
	Total	**0.42**	0.03
3	**Sale of Goods – Dry Mortar Product**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	**-**	0.03
	Total	**-**	0.03

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
4	**Sale of Goods - Clinker**		
	Associates		
	Ramco Industries Limited (including taxes of ₹ 2.92 Crores; PY: ₹ 0.98 Crores)	**16.08**	17.33
	Total	**16.08**	17.33
5	**Purchase of Goods – Cement**		
	Associates		
	Ramco Industries Limited (including taxes of ₹ 7.09 Crores; PY: ₹ 4.38 Crores)	**37.09**	35.45
	Total	**37.09**	35.45
6	**Purchase of Goods – Fibre Sheet and Silicate Boards, Packing materials & Raw materials**		
	Associates		
	Ramco Industries Limited	**1.98**	0.33
	Total	**1.98**	0.33
7	**Purchase of Goods – Diesel and Petrol**		
	Other entities over which there is a significant influence		
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	**0.25**	0.22
	PACR Sethuramammal Charity Trust	**0.61**	0.65
	Ramco Welfare Trust	**0.58**	0.35
	PAC Ramasamy Raja Centenary Trust	**0.08**	-
	PACR Sethuramammal Charities	**0.30**	0.24
	Total	**1.82**	1.46
8	**Purchase of Goods – Magazine**		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Shri Harini Media Limited	**0.27**	0.28
	Total	**0.27**	0.28
9	**Purchase of Goods – Stores and Spares**		
	Other entity over which there is a significant influence		
	R. Sudarsanam & Co.	**0.02**	0.02
	Companies over which KMP / Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	**-**	0.00
	Total	**0.02**	0.02
10	**Receiving of Services – Transportation**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**32.75**	38.15
	Total	**32.75**	38.15
11	**Receiving of Services – Manpower Supply**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**5.74**	9.25
	Total	**5.74**	9.25

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
12	**Receiving of Services – Advertisement**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Shri Harini Media Limited	**0.06**	0.05
	Total	**0.06**	0.05
13	**Receiving of Services – Software Related Services**		
	Associates		
	Ramco Systems Limited	**15.63**	21.11
	Total	**15.63**	21.11
14	**Receiving of Services – Aircraft Charter Services**		
	Associates		
	Madurai Trans Carrier Limited	**16.43**	7.04
	Total	**16.43**	7.04
15	**Usage charges received for Power Consumed by virtue of Joint Ownership of Shares with APGPCL**		
	Associates		
	Rajapalayam Mills Limited	**0.04**	0.02
	Sri Vishnu Shankar Mill Limited	**0.04**	0.02
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	**0.03**	0.02
	Sri Harini Textiles Limited	**0.03**	0.02
	The Ramaraju Surgical Cotton Mills Limited	**0.03**	0.02
	Total	**0.17**	0.10
16	**Leasing Arrangements – Rent Received**		
	Subsidiary		
	Ramco Systems Limited	**8.32**	8.15
	Rajapalayam Mills Limited	**0.10**	-
	Lynks Logistics Limited	**0.92**	0.09
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**0.00**	0.00
	Other entity over which there is a significant influence		
	Raja Charity Trust	**0.47**	0.39
	Total	**9.81**	8.63
17	**Leasing Arrangements – Rent Paid**		
	Associates		
	Ramco Industries Limited	**0.01**	0.00
	Relative of Key Management Personnel		
	A.V. Dharmakrishnan (HUF)	**0.07**	0.05
	Other entity over which there is a significant influence		
	Raja Charity Trust	**0.00**	0.00
	Total	**0.08**	0.05
18	**Dividend received**		
	Associates		
	Ramco Industries Limited	**0.67**	-
	Rajapalayam Mills Limited	**0.01**	-
	Total	**0.68**	-

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
19	**Dividend Paid**		
	Key Management Personnel		
	P.R. Venketrama Raja	**0.58**	-
	A.V. Dharmakrishnan	**0.01**	-
	S. Vaithiyanathan	**0.00**	-
	Associates		
	Ramco Industries Limited	**14.79**	-
	Rajapalayam Mills Limited	**9.87**	-
	Sri Vishnu Shankar Mill Limited	**1.17**	-
	Companies over which KMP / Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	**1.09**	-
	Sudharsanam Investments Limited	**0.89**	-
	Ramco Management Private Limited	**0.14**	-
	Total	**28.54**	-
20	**Remuneration to Key Management Personnel (Other than Sitting Fees)**		
	P.R. Ramasubrahmaneya Rajha, Chairman & Managing Director	**4.61**	44.42
	P.R.Venketrama Raja, Chairman & Managing Director	**33.87**	-
	A.V. Dharmakrishnan, Chief Executive Officer	**11.91**	10.98
	S. Vaithiyanathan, Chief Financial Officer	**1.16**	0.89
	K. Selvanayagam, Company Secretary	**0.90**	0.81
	Total	**52.45**	57.10
21	**Directors' Sitting Fees**		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	**-**	0.02
	P.R. Venketrama Raja	**0.06**	0.05
	R.S. Agarwal	**0.05**	0.05
	M.B.N. Rao	**0.04**	0.04
	M.M. Venkatachalam	**0.05**	0.04
	M.F. Farooqui	**0.02**	-
	Smt. Justice Chitra Venkataraman (Retd.)	**0.02**	0.02
	Total	**0.24**	0.22
22	**Purchase of Fixed Assets**		
	Associates		
	Ramco Industries Limited	**18.84**	-
	Total	**18.84**	-
23	**Sale of Fixed Assets**		
	Associates		
	Madurai Trans Carrier Limited	**0.07**	-
	Lynks Logistics Limited	**0.48**	-
	Shri Vishnu Shankar Mill Limited	**-**	0.33
	The Ramco Cements Limited Educational and Charitable Trust	**-**	0.24
	Total	**0.55**	0.57

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
24	**Interest Paid**		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha - Interest Rate – 6.75% (PY : 7.50%)	**0.22**	0.76
	P.R. Venketrama Raja – Interest Rate – 6.75%	**0.18**	-
	Total	**0.40**	0.76
25	**CSR/Donations given**		
	Other entities over which there is a significant influence		
	PACR Sethuramammal Charity Trust	**-**	0.03
	Total	**-**	0.03
26	**Contribution to Superannuation Fund/Gratuity Fund**		
	Employee Benefit Funds where Control Exists		
	The Ramco Cements Limited Officers' Superannuation Fund	**6.86**	6.24
	The Ramco Cements Limited Employees' Gratuity Fund	**2.94**	5.76
	Total	**9.80**	12.00
27	**Investment in Equity Shares during the year**		
	Associates		
	Lynks Logistics Limited	**10.11**	3.00
	Total	**10.11**	3.00
28	**Sale of Electrical Energy from windmills**		
	Associates		
	Ramco Industries Limited	**1.76**	1.53
	Sri Vishnu Shankar Mill Limited	**2.41**	2.70
	Rajapalayam Mills Limited	**0.32**	-
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Thanjavur Spinning mills Limited	**4.60**	5.41
	The Ramaraju Surgical Cotton Mills Limited	**3.63**	3.29
	Sandhya Spinning Mill Limited	**1.29**	1.41
	Rajapalayam Textile Limited	**3.35**	3.29
	Total	**17.36**	17.63

b. Transactions during the year not on Arm's length basis

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2018	31-03-2017
1	**Sale of Goods – Cement**		
	Other entities over which there is a significant influence		
	Raja Charity Trust	**0.01**	0.04
	PAC Ramasamy Raja Education Charity Trust	**0.04**	0.05
	Rajapalayam Rotary Trust	**0.05**	0.00
	PACR Sethuramammal Charities	**0.00**	0.03
	PACR Sethuramammal Charity Trust	**0.01**	-
	PAC Ramasamy Raja Centenary Trust	**-**	0.02
	Total	**0.11**	0.14

c. Outstanding balances including commitments

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2018	31-03-2017
1	**Trade Receivables**		
	Associates		
	Ramco Industries Limited	**-**	0.04
	Other entities over which there is a significant influence		
	PACR Sethuramammal Charities	**-**	0.00
	Total	**-**	0.04
2	**Trade Payables**		
	Associates		
	Ramco Systems Limited	**-**	0.02
	Total	**-**	0.02
3	**Loans and Advances**		
	Associates		
	Ramco Industries Limited	**-**	0.00
	Madurai Trans Carrier Limited	**11.59**	10.24
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	**6.37**	5.24
	Other entities over which there is a significant influence		
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	**0.63**	0.82
	PACR Sethuramammal Charity Trust	**0.72**	-
	Ramco Welfare Trust	**1.14**	1.27
	PAC Ramasamy Raja Centenary Trust	**0.31**	-
	Total	**20.76**	17.57
4	**Borrowings**		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	**-**	17.35
	P.R. Venketrama Raja	**0.32**	-
	Total	**0.32**	17.35
5	**Security Deposits received by virtue of Joint Ownership of shares with APGPCL**		
	Associates		
	Rajapalayam Mills Limited	**0.13**	0.13
	Sri Vishnu Shankar Mill Limited	**0.12**	0.12
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	**0.12**	0.12
	Sri Harini Textiles Limited	**0.12**	0.12
	The Ramaraju Surgical Cotton Mills Limited	**0.11**	0.11
	Total	**0.60**	0.60

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2018	31-03-2017
6	**Security Deposit received towards lease arrangement**		
	Associates		
	Lynks Logistics Limited	**0.01**	0.01
	Total	**0.01**	0.01
7	**Corporate Guarantees given to lenders of Related parties**		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Thanjavur Spinning Mill Limited	**12.50**	12.50
	Other entity over which there is a significant influence		
	Raja Charity Trust	**100.00**	100.00
	Total	**112.50**	112.50
8	**Capital Commitments**		
	Associates		
	Ramco Systems Limited (net of taxes)	**5.36**	-
	Total	**5.36**	-

Note

The above outstanding balances at the respective reporting dates are unsecured and settlement occurs in cash or through provision of goods / services, in case of unadjusted advances.

Disclosure of Key Management Personnel compensation in total and for each of the following categories: **₹ in Crores**

Particulars	31-03-2018	31-03-2017
Short – Term Benefits (1)	**52.20**	56.93
Defined Contribution Plan (2)	**0.49**	0.39
Defined Benefit Plan / Other Long-term benefits	**Refer Note 3 below**	
Total	**52.69**	57.32

1. *It includes bonus, sitting fees, and value of perquisites.*
2. *It includes contribution to Provident fund and Superannuation fund*
3. *As the liability for gratuity and compensated absences are provided on actuarial basis for the Group as a whole, amounts accrued pertaining to key managerial personnel are not included above.*

54 Disclosure of Fair value measurements

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category **₹ in Crores**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2018					
Financial Assets					
Other Investments	-	0.51	26.86	27.37	27.37
Loans	45.20	-	-	45.20	45.20
Trade Receivables	442.31	-	-	442.31	442.31
Cash and Bank Balances	119.86	-	-	119.86	119.86
Other Financial Assets	73.60	-	-	73.60	73.60
Financial Liabilities					
Borrowings	1,120.58	-	-	1,120.58	1,120.58
Trade Payables	267.91	-	-	267.91	267.91
Other Financial Liabilities	660.98	-	-	660.98	660.98
As at 31-03-2017					
Financial Assets					
Other Investments	-	0.45	26.08	26.53	26.53
Loans and Advances	42.22	-	-	42.22	42.22
Trade Receivables	554.90	-	-	554.90	554.90
Cash and Bank Balances	119.77	-	-	119.77	119.77
Other Financial Assets	41.20	-	-	41.20	41.20
Financial Liabilities					
Borrowings	1,437.16	-	-	1,437.16	1,437.16
Trade Payables	256.22	-	-	256.22	256.22
Other Financial Liabilities	710.68	0.06	-	710.74	710.74

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below: ₹ **in Crores**

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2018	4.74	-	-	4.74
As at 31-03-2017	3.96	-	-	3.96
Investment in unlisted securities				
As at 31-03-2018	-	-	22.12	22.12
As at 31-03-2017	-	-	22.12	22.12
Financial Instruments at FVTPL				
Investment in mutual funds				
As at 31-03-2018	0.51	-	-	0.51
As at 31-03-2017	0.45	-	-	0.45
Foreign exchange forward contracts				
As at 31-03-2018	-	-	-	-
As at 31-03-2017	-	0.06	-	0.06

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at 31st March in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets plus Cost Savings in operations of business based on Discounted cash flow method
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker

55. Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Group's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Group. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Group's activities. The Group through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Group if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Group extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Group evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Group maintains adequate security deposits from its customers in case of wholesale and retail segment. In case of institutional segment, credit risks are mitigated by way of enforceable securities. The exposures with the Government are generally unsecured but they are considered as good. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis. Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group and where there is a probability of default, the Group creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

₹ in Crores

Particulars	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
As at 31-03-2018					
Gross carrying amount	329.18	27.80	14.37	80.88	452.23
Expected Loss Rate	0.04%	0.70%	6.75%	10.66%	2.19%
Expected Credit Losses	0.13	0.20	0.97	8.62	9.92
Carrying amount of trade receivables net of impairment	329.05	27.60	13.40	72.26	442.31
As at 31-03-2017					
Gross carrying amount	367.10	56.01	10.87	130.84	564.82
Expected Loss Rate	0.05%	0.50%	2.75%	7.00%	1.76%
Expected Credit Losses	0.18	0.28	0.30	9.16	9.92
Carrying amount of trade receivables net of impairment	366.92	55.73	10.57	121.68	554.90

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Group is presently exposed to counter party risk relating to short term and medium term deposits placed with banks, and also investments made in mutual funds. The Group places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Group aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Group has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Group has access to the following undrawn borrowing facilities: **₹ in Crores**

Particulars	**31-03-2018**	31-03-2017
Expiring within one year		
Bank Overdraft and other facilities	**401.35**	405.14
Term Loans	**-**	-
Expiring beyond year		
Term Loans	**-**	-

Maturities of Financial Liabilities **₹ in Crores**

Nature of Financial Liability	**< 1 Year**	**1 – 5 Years**	**>5 years**	**Total**
As at 31-03-2018				
Borrowings from Banks / Debentures	632.59	47.47	-	680.06
Soft Loan from Government	-	30.74	114.37	145.11
Deferred Sales Tax Liability	69.21	217.89	26.95	314.05
Trade payables	267.91	-	-	267.91
Security Deposits payable	556.65	-	-	556.65
Other Financial Liabilities	104.33	-	-	104.33
As at 31-03-2017				
Borrowings from Banks / Debentures	872.78	74.10	-	946.88
Soft Loan from Government	-	-	139.37	139.37
Deferred Sales Tax Liability	53.41	232.65	81.40	367.46
Trade payables	256.22	-	-	256.22
Security Deposits payable	619.09	-	-	619.09
Other Financial Liabilities	91.65	-	-	91.65

Foreign Currency Risk

The Group's exposure in USD and other foreign currency denominated transactions in connection with import of capital goods, spares and fuel, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Group has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/ outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Group's exposure to foreign currency risk (unhedged) as detailed below:

Currency	Trade Payables	Trade and other Receivables	Balance with Banks	Foreign Currency Loan
USD in Millions				
As at 31-03-2018	1.65	-	0.03	-
As at 31-03-2017	3.77	1.53	-	-
EURO in Millions				
As at 31-03-2018	0.94	-	-	-
As at 31-03-2017	0.02	-	-	-
JPY in Millions				
As at 31-03-2018	1.76	-	-	-
As at 31-03-2017	1.76	-	-	-
LKR in Millions				
As at 31-03-2018	35.94	126.65	28.83	-
As at 31-03-2017	30.67	43.18	1.59	-

Risk sensitivity on foreign currency fluctuation **₹ in Crores**

Foreign Currency	31-03-2018		31-03-2017	
	1 % Increase	1% decrease	1% increase	1% decrease
USD	**(-) 0.11**	**0.11**	(-) 0.15	0.15
EURO	**(-) 0.08**	**0.08**	-	-
JPY	**(-) 0.11**	**0.11**	(-) 0.10	0.10
LKR	**0.29**	**(-) 0.29**	0.03	(-) 0.03

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the Group to cash flow interest rate risk. The Group's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Group is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Group constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Group believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure **₹ in Crores**

Particulars	31-03-2018	31-03-2017
Variable rate borrowings	**109.42**	112.37
Fixed rate borrowings	**697.11**	973.88
Interest free borrowings	**314.05**	367.46

The Group does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

₹ in Crores

Total Interest Cost works out to	**31-03-2018**	31-03-2017
1% Increase in Interest Rate	**60.55**	106.85
1% Decrease in Interest Rate	**59.40**	102.90

56. Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholders' wealth.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt.

₹ in Crores

Particulars	**31-03-2018**	31-03-2017
Long Term Borrowings	**418.78**	511.04
Current maturities of Long term borrowings	**119.16**	291.61
Short Term Borrowings	**582.64**	634.51
Less: Cash and Cash Equivalents	**88.66**	83.34
Net Debt (A)	**1,031.92**	1,353.82
Equity Share Capital	**23.56**	23.81
Other Equity	**4,081.49**	3,771.65
Total Equity (B)	**4,105.05**	3,795.46
Total Capital Employed (C) = (A) + (B)	**5,136.97**	5,149.28
Capital Gearing Ratio (A) / (C)	**20%**	26%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2018 and 31-03-2017.

ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/ASSOCIATES FOR THE YEAR 2017-18

Name of the Entity	Net Assets i.e, total assets minus total liabilities		Share in Profit/Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	₹ In Crores	As % of Consolidated profit/loss	₹ In Crores	As % of Consolidated OCI	₹ In Crores	As % of Consolidated TCI	₹ In Crores
Parent								
The Ramco Cements Limited	94.84%	3,896.32	98.05%	552.75	191.11%	(1.72)	97.91%	551.03
Subsidiaries								
Indian								
Ramco Windfarms Limited	0.20%	8.09	0.58%	3.25	-	-	0.58%	3.25
Minority Interest in Subsidiary	0.08%	3.23	0.23%	1.29	-	-	0.23%	1.29
Associates (Investments as per the Equity Method)								
Indian								
Ramco Industries Limited	1.96%	80.41	2.19%	12.35	(112.22%)	1.01	2.37%	13.36
Ramco Systems Limited	2.66%	109.31	0.35%	2.00	21.11%	(0.19)	0.32%	1.81
Rajapalayam Mills Limited	0.03%	1.23	0.03%	0.18	-	-	0.03%	0.18
Shri Vishnu Shankar Mill Limited	-	0.01	-	-	-	-	-	-
Madurai Trans Carrier Limited	0.09%	3.76	(0.29%)	(1.61)	-	-	(0.29%)	(1.61)
Lynks Logistics Limited	0.14%	5.92	(1.14%)	(6.45)	-	-	(1.15%)	(6.45)

BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34(2)(f) of LODR]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

<table>
<tr><td>1</td><td>Corporate Identity Number (CIN)</td><td>L26941TN1957PLC003566</td></tr>
<tr><td>2</td><td>Name of the Company</td><td>THE RAMCO CEMENTS LIMITED</td></tr>
<tr><td>3</td><td>Registered address</td><td>“RAMAMANDIRAM”, RAJAPALAYAM – 626117</td></tr>
<tr><td>4</td><td>Website</td><td>www.ramcocements.in</td></tr>
<tr><td>5</td><td>E-mail id</td><td>ksn@ramcocements.co.in</td></tr>
<tr><td>6</td><td>Financial Year reported</td><td>1st April 2017 to 31st March 2018</td></tr>
<tr><td>7</td><td>Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td>
<table>
<tr><td colspan="4">Codes as per NIC – 2008</td></tr>
<tr><td>Group</td><td>Class</td><td>Sub class</td><td>Description</td></tr>
<tr><td>239</td><td>2394</td><td>23941
23942</td><td>Manufacture of Clinker and Cement</td></tr>
<tr><td>351</td><td>3510</td><td>35102</td><td>Electric power generation by coal based thermal power plants</td></tr>
<tr><td></td><td></td><td>35106</td><td>Electric power generation using other non-conventional sources</td></tr>
</table>
</td></tr>
<tr><td>8</td><td>List three key products/services that the Company manufactures/provides (as in balance sheet)</td><td>(i) Cement
(ii) Power</td></tr>
<tr><td>9</td><td>Total number of locations where business activity is undertaken by the Company</td><td>(a) Number of International Locations : 1
(b) Number of National Locations :
5 Cement Plants, 5 Grinding Units, 1 Packing Plant, 1 Ready Mix Concrete Unit, 1 Dry Mortar Plant, Wind farms at 7 locations, Registered Office, Corporate Office and 45 Sales Offices.</td></tr>
<tr><td>10</td><td>Markets served by the Company</td><td>South and East India</td></tr>
</table>

SECTION B: FINANCIAL DETAILS OF THE COMPANY

<table>
<tr><td>1</td><td>Paid up Capital - ₹ In crores</td><td>23.56</td></tr>
<tr><td>2</td><td>Total Turnover - ₹ In crores</td><td>4443.00 (Net of duties and taxes)</td></tr>
<tr><td>3</td><td>Total Comprehensive Income - ₹ In crores</td><td>553.94</td></tr>
<tr><td>4</td><td>Total Spending on Corporate Social Responsibility (CSR) as percentage of Total Comprehensive Income (%)</td><td>The Company has spent ₹ 10.93 crores on CSR, which is 1.97% of Total Comprehensive Income for the year 2016-17.</td></tr>
<tr><td>5</td><td>List of activities in which expenditure in 4 above has been incurred</td><td>The Company has done CSR activities in various spheres, out of which the following are the top 5 areas:
a. Promotion of Education, Enhancing Vocational Skills, Livelihood Projects, etc.
b. Eradication of Hunger, Providing of Safe Drinking Water, Health Care, etc.
c. Rural Development Projects
d. Protection of National Heritage, Sites of Historical Importance, etc.
e. Promotion of Sports</td></tr>
</table>

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	Yes. The Company has one Subsidiary. Name : Ramco Windfarms Limited
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Business Responsibility initiatives of the holding company are applicable to the Subsidiary Company as well.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company involves its Business Associates, such as Dealers, Logistics Partners, etc. in its Business Responsibility initiatives. However, their extent of participation in terms of percentage cannot be quantified.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

1	DIN Number	00331406
2	Name	Shri.P.R.Venketrama Raja
3	Designation	Chairman & Managing Director

   (b) Details of the BR head

1	DIN Number	00693181
2	Name	Shri.A.V.Dharmakrishnan
3	Designation	Chief Executive Officer
4	Telephone Number	044 – 2847 8666
5	E-Mail ID	brr@ramcocements.co.in

2. The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. They are:

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

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for BR Principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify?	The policies conform to the guidelines/standards of Companies Act, 2013 and other statutory acts, regulations, notifications, etc. The policies/ standards are at par with generally accepted practices for the respective principles.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.ramcocements.in/policies.aspx								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Company's website contains the policies for information of all internal and external stakeholders. Further, relevant communication is provided to stakeholders through appropriate mediums, such as, Circulars, Notice Boards, Company's Magazine, etc.								
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The ISO Standards and other standards adopted by the Company are subject to routine monitoring/ evaluation/review by their concerned external agencies on periodical basis. The implementation of the policies is subject to review by Internal Audit mechanisms.								

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

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason	-	-	-	-	-	-	-	-	-

3. Governance related to BR

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

The CSR Committee consisting of 3 Directors is responsible to assess the Business Responsibility performance of the Company and to oversee the implementation of the various policies. It is reviewed on annual basis or as and when the need arises. The CSR Committee at its meeting held on 23-05-2018 had reviewed and approved the Business Responsibility Report for the year 2017-18.

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

The Business Responsibility Report is published in the Annual Report and also placed on the Company's website at www.ramcocements.in

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company's policies viz. Code of Conduct for Board of Directors and Senior Management Personnel and Whistle Blower Policy lay down the rules and procedures by which any stakeholder can report the actual or suspected improper activities of any kind, fraud and violation of company's code of conduct. The whistle blower policy extends to individuals who are in full time or part time employment with the company or its subsidiary including those serving as consultants and contract / third party employees.

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

No complaint has been received under Whistle Blower Policy. During the year under review 8 complaints have been received from Shareholders relating to non-receipt of dividends / annual report. The complaints were promptly attended and redressed in time.

Principle 2

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

A. CEMENT

The Company's blended cements viz. Portland Pozzolana Cement and Portland Slag Cement utilises Fly Ash and Slag which are Industrial waste from Thermal Power Plants and Steel Plants respectively. The Company uses waste tyre oil instead of diesel for kilns during start up. Utilisation of these materials in the company's manufacturing process protect environment.

B. POWER GENERATION

WIND ENERGY

The Company's investment in non-conventional renewable energy source, viz. wind energy is emission free and pollution free generation of power.

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

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

Resources	Units of Measurement	2017-2018	2016-2017
Fly Ash	% per ton of PPC	25.77	26.53
Slag	% per ton of PSC	67.30	63.28
Power	Kwh/Ton of Cement	78.05	75.15

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

The Company has no information regarding reduction of energy, water, etc. that has been achieved by the consumers during usage of Company's products.

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

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

Yes. The Company's cement manufacturing plants are situated close to limestone mines, thereby reducing the transportation impact of the limestone. The Company's cement grinding units are situated close to thermal power plants, thereby reducing the transportation impact of the fly ash. Bulk materials are transported through rail/sea instead of road. The mining deploys sustainable mining practices to enhance the life of the mines. However, the transportation and logistics optimisation is an ongoing activity to reduce the related environmental impacts.

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

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

The Company gives priority to procure goods and avail services from local and small vendors, located near to the manufacturing locations. We also provide them training to improve their capacity and capability. The Company ensures that its contractors who supply labour services for plant operations employ workmen from nearby communities. The Company also educates and trains the workforce in occupational health and safety.

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

   The Company's product is not meant for recycling as cement is used for construction of buildings, which are meant to last long. The product is also not recyclable after its usage. The Company's other product, viz. electrical energy is consumed immediately, which also does not provide scope for recycling. The domestic waste water generated at factory, colony, etc. is recycled through sewage treatment plant and is utilised in full.

Principle 3

1. Please indicate the Total number of employees. - 3034
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. – 1896.
3. Please indicate the Number of permanent women employees – 5.
4. Please indicate the Number of permanent employees with disabilities – 1.
5. Do you have an employee association that is recognized by management.

   The plants at Ramasamy Raja Nagar, Jayanthipuram and Mathodu have employee unions recognized by the management.

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

   Ramasamy Raja Nagar Plant – 82%

   Jayanthipuram Plant – 97%

   Mathodu Plant – 100%

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

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

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

(a)	Permanent Employees	76%
(b)	Permanent Women Employees	--
(c)	Casual/Temporary/Contractual Employees	100%
(d)	Employees with Disabilities	--

The Company emphasises on Safety practises across the units. The company had implemented Standard Safety Management System which provides guidelines to employees in their daily activities with the best Safety, Health and Environmental Standards. All new entrants (Permanent/ Contract/etc.), have been imparted with Safety Induction Training programme covering all the Safety aspects. The main objective of Safety Department of the Company is to establish health and safety culture across the plant through awareness training and promotional activities. It is mandatory to undergo Safety Training for all the employees.

An important part of the Company's mission is to invest in people development and growth as the Company believes that only people development is the foundation for strong and qualitative growth of the organization. Hence skill up-gradation training are being provided to all the employees based on their individual /departmental needs.

Principle 4

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

   Yes.

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

   The Company's cement manufacturing plants/limestone mines are located in remote rural areas and localities around such places have been identified as disadvantaged, vulnerable & marginalized stakeholders.

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

   The Company's CSR programmes are mainly targeted in improving the socio, economic and infrastructure conditions of the localities around the manufacturing facilities. The Company also undertakes various measures to improve the quality of their life. These include, computer education training for village students, women empowerment, arrangements for safe drinking water, desilting of water bodies, construction of toilets, formation and enhancement of rural roads, conducting rural medical camps, eye camps, special medical camps for disabled children, green development, etc.

Principle 5

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

The Company's Code of Conduct and HR practices have been developed to respect and protect human rights. It extends only to the Company and its Subsidiary.

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

   During the year under review, the Company did not receive any complaint in respect of violation of human rights.

Principle 6

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

   The Policy on environment covers the Company and its Subsidiary.

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

   Yes. The Company strives to have minimal carbon foot print and to reduce its impact with regard to climate change, global warming, etc. The Company's Safety, Health and Environment Policy gives utmost importance to the environmental impact of the practices it follows and the product it creates. The weblink for the same is : http://www.ramcocements.in/policies.aspx

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

   Yes. The Company has a mechanism in place to identify and assess potential environmental risk. The Company's Risk Management Policy covers Environmental Risk and the process for managing it.

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

   The Company's wind farm project has been registered with United Nations Framework Convention on Climate Change under Clean Development Mechanism. The Company is eligible for Certified Emission Reductions (CERs). The main purpose of the project activity is to generate clean electricity from renewable energy source (wind).

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

   The Company pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and improvements. Some of the steps taken for conservation of energy, include,

   Installation of Variable frequency drive (VFD) for process fans to reduce electrical energy.

   Installation of High efficiency process fans to reduce electrical energy.

   Installation of LED lights replacing high wattage HPSV (High Pressure Sodium Vapor) lights.

   Optimisation of compressor operation and installation of zero energy loss drain valves for receiver tank.

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

   Yes, the emissions/waste generated by the Company are within the permissible limits prescribed by CPCB/SPCB.

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

   None.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
   a. Cement Manufacturers Association
   b. Bureau of Energy Efficiency
   c. Confederation of Indian Industry
   d. National Council for Cement & Building Materials
   e. Federation of Indian Chambers of Commerce and Industry
   f. Rajapalayam Chamber of Commerce
   g. Indian Wind Power Association

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

   Yes. Following are the broad areas.
   a. Composite Cement
   b. Recommendation for increased use of fly ash in cement industry
   c. Promotion of Concrete Roads
   d. Promotion of Clean Energy

Principle 8

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

   Yes. The Company believes that as the Organisation grows, the society and the community around it should also grow. For this, the company undertakes various initiatives/projects in and around the places where its manufacturing facilities are located. These include,

   Rural Industry and Skill Development
   Conducted Skill trainings for youth
   Employed youth through job placement

Health

Conducted health check-up camps

Eye camps

Treating poor patients through Special Health camps

Education

Provided basic computer training to students

Providing assistance to poor students

Infrastructure Development

Constructed low cost houses, toilets, village road, community halls, etc.

Established drinking water facilities in villages.

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

   The Company's CSR initiatives are implemented both by internal teams as well as through / coordination with external agencies, like NGOs, Government Institutions, Academic Organisations, etc.

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

   The Company does the impact assessment of its CSR initiatives through qualitative feedbacks, received from beneficiaries of the activities undertaken. Based upon such reviews, the initiatives are structured.

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

   During the year ended 31st March 2018, the Company has spent ₹ 10.93 crores towards Health, Education, Infrastructure Development and other various community development projects, towards its CSR commitment. The details are available in Board's Report. The company had also spent a sum of ₹ 0.50 crores on other social causes and projects, which do not qualify under the classifications listed out in Schedule VII of the Companies Act, 2013.

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

   The CSR initiatives are carried out on a need based approach. The Company adopts participatory approach with communities/ beneficiaries. With regard to project development and major asset creations, Company participates in mutual beneficiary contribution. These strategies ensure that the relevant beneficiaries successfully adopt and maintain them.

Principle 9

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

   2 customer complaints were pending at the beginning of the year. 528 complaints were received during the year. All the 530 complaints had been resolved as on the end of financial year.

   One consumer appeal was pending against the Company at the end of the financial year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

   The Company displays information as mandated by the local laws on the product label. No other additional information is provided.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   COMPLAINT BY BUILDERS ASSOCIATION OF INDIA

   The Competition Commission of India (CCI), by its order dated 31-08-2016 has imposed a penalty of ₹ 258.63 Crores on the Company for alleged cartelisation. The CCI order is pursuant to the directions issued by the Competition Appellate Tribunal (COMPAT) vide its order dated 11-12-2015 setting aside the original CCI order dated 20-06-2012 and remitting the matter to CCI for fresh adjudication of the issue. Upon appeal filed before the Competition Appellate Tribunal (COMPAT), the order of CCI has been stayed on condition that the company deposits 10% of the penalty amounting to ₹ 25.86 Crores. The same has been deposited by the company and the said deposit is classified under "Bank Balances other than Cash and Cash Equivalents". By virtue of Section 185(4) of Finance Act, 2017, the appeals pending with COMPAT were transferred to National Company Law Appellate Tribunal by the Government. The arguments were completed and judgement is awaited.

   COMPLAINTS BY THREE CEMENT DEALERS

   In Kerala, the Company had stopped supply of cement to three dealers for business reasons, but they have made a complaint to the Competition Commission of India, (CCI) alleging that there is a cartel between the Company and Kerala Cement Dealer Association (KCDA) and their supply have been stopped on the instructions of KCDA. The Director General (DG) of CCI had investigated the complaints and concluded that the stoppages of supply of cement did not breach the provisions of the Competition Act but because of business reasons. However, the dealers have requested CCI for further investigation and the matter has been referred back to DG. The DG submitted its Supplementary Investigation Report to the Commission. The order of the Commission is awaited.

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

   Yes. The Company carries out consumer surveys / consumer satisfaction trends, through interaction with end users and the information is utilised to improve the business operations / services.

PROXY FORM

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

THE RAMCO CEMENTS LIMITED

(CIN:L26941TN1957PLC003566)
Regd. Office: "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu.

Name of the Member(s) : ……

Registered address : ……

E-mail ID : ……

Folio No/DP ID - Client ID : ……

I/We, being the member (s) of ……. shares of the above named company, hereby appoint

1. Name : ……. Address : ……

   E-mail Id : ……. Signature : ……., or failing him

2. Name : ……. Address : ……

   E-mail Id : ……. Signature : ……., or failing him

3. Name : ……. Address : ……

   E-mail Id : ……. Signature : …….

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 60th Annual General Meeting of the company, to be held on the Friday, the 3rd August 2018 at 10.15 AM at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
Ordinary Business	
1	Financial Statements for the year ended 31-03-2018
2	Declaration of dividend for the year 2017-2018
3	Reappointment of Shri.P.R.Venketrama Raja, as Director

Please see overleaf

THE RAMCO CEMENTS LIMITED

(CIN:L26941TN1957PLC003566)
Regd. Office: "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the 60th Annual General Meeting of the Company.

Venue : P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108

Date & Time : Friday, the 3rd August 2018 at 10.15 AM

Name of the Member _____ Folio No/DP ID - Client ID _____

Name of the Proxy* _____ Signature of Member/Proxy Attending _____

*(To be filled in, if the proxy attends instead of the Member)

Special Business – Special Resolutions	
4	Issue of Secured Non-Convertible Debentures
5	Reappointment of Shri.R.S.Agarwal as Independent Director
6	Reappointment of Shri.M.B.N.Rao as Independent Director
7	Reappointment of Shri.M.M.Venkatachalam as Independent Director
8	Employee Stock Option Scheme
Special Business – Ordinary Resolutions	
9	Appointment of Shri.M.F.Farooqui, IAS (Retd.) as Director
10	Remuneration payable to Cost Auditors for the year 2018-19

Signed this ..... day of ....…..... 2018

Signature of Shareholder .....….....….....

Signature of Proxy holder(s) .....….....….....

Affix Revenue Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

NEW PROJECT INITIATIVES

Shri.P.R.Venketrama Raja, Chairman & Managing Director, Shri.A.V.Dharmakrishnan, Chief Executive Officer and Shri.P.V.Abinav Ramasubramaniam Raja at Bhoomi Pooja for the proposed Cement Grinding Unit in the State of Odisha.

Shri.A.V.Dharmakrishnan, Chief Executive Officer and Shri.P.V.Abinav Ramasubramaniam Raja at Bhoomi Puja for the expansion of the Kolaghat Grinding Unit.

Enhancement of Cement Grinding Capacity in Ramasamy Raja Nagar in progress.

AWARDS

"Green Award 2015" instituted by Government of Tamil Nadu being received from the Honourable Chief Minister of Tamil Nadu, Edappadi Thiru.K.Palanisamy by Chief Executive Officer, Shri.A.V.Dharmakrishnan.

Sri Nayani Narasimha Reddy, Honourable Home and Labour Minister, Government of Telangana, giving away the award for "Best Supporting Organization for Quality Circles Movement" , constituted by Quality Circle Forum of India, to Jayanthipuram Plant.

Andhra Pradesh Pollution Control Board has awarded Letter of Appreciation (First in Cement Industry Category) to Jayanthipuram unit for 'Better Environmental Practices'. The award was presented by Sri Sidda Raghava Rao, Honourable Minister for Environment, Forests, Science & Technology, Andhra Pradesh.

Industries Safety Award and Excelling Workmen Award – 2013, presented to Ariyalur Plant by Honourable Minister for Rural Industries, Thiru.P.Benjamin. Thiru.D.Jayakumar, Honourable Minister for Fisheries and Personnel and Administrative Reforms and Dr.Nilofer Kafeel, Honourable Minister for Labour are also seen.

AWARDS

The Ramasamy Raja Nagar unit was bestowed with National Award for Excellence in Energy Management – 2017 by Confederation of Indian Industry.

The Alathiyur unit was bestowed with National Award for Excellence in Energy Management – 2017 by Confederation of Indian Industry.

The Ariyalur unit bestowed with National Award for Excellence in Energy Management – 2017 by Confederation of Indian Industry.

Ramco Cements receiving the Gold Award instituted by Greentech Foundation for outstanding achievement in Technology Excellence in HR

CSR ACTIVITIES

Livelihood Enhancement Project for Differently Abled – A CSR project by Alathiyur Unit.

Medical Camp being conducted by Ariyalur Plant. Ms.G.Laxmi Priya, IAS, the then District Collector of Ariyalur District is also seen.

The Primary School at Ameenabad Village, Ariyalur District, being supported under the Company's CSR Activities.

Distribution of Relief Materials by Ramco Social Service League to persons affected by natural disasters.

Shri.P.R.Venketrama Raja, Chairman & Managing Director during his visit to Jayanthipuram Plant.

Shri.P.R.Venketrama Raja, Chairman & Managing Director evaluating the Models during the Inter Unit Quality Circle Convention.

Shri.P.R.Venketrama Raja, Chairman & Managing Director giving away livelihood tools as a part of rural women empowerment under Company's CSR activities.

YOU SURE HAVE A HEART,
SO YOU MUST HAVE SOME BLOOD TO DONATE

LET YOUR BLOOD RUSH IN
WHEN SOMEONE'S LIFE IS RUNNING OUT