

# Blossoming a Billion Dreams

ANNUAL REPORT  
2014-15



**Cautionary Statement Regarding Forward-Looking Statement:**

This Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approving from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the report. Prism Cement Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.



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# Blossoming a Billion Dreams

Geared up to harness the collective strength of 1.2 billion people, abundance of natural resources, plural social fabric and an ever-progressive mindset; India is poised to raise its stake on the global economic platform. Riding the wave of next generation reforms, the country is generating significant interest among global investment community. Government's decisive stand and deep resolve to take the rank and file of its citizenry on the path of progress augurs well.

With the return of healthy demand growth over coming quarters, the onus would shift to enterprises to seize the opportunity and respond well. At Prism Cement, we are much better prepared than ever before to respond with our range of building products and solutions. Uniquely poised to contribute in construction of infrastructure – road, ports and airports and real estate – residential, commercial and retail; at Prism Cement, we envision to strengthen our concurrent national priorities of 'Housing for All', 'Swachh Bharat' (Cleanliness Drive), Employment generation through 'Make in India' and Industrial Corridors among others.

With saleable capacities of 7mtpa of cement and clinker, 54.5 million m<sup>2</sup> per annum of tiles, and 7 million m<sup>3</sup> per annum of RMC operating at respective capacity utilization levels of 80%, 75%, 40%; we are ready to raise our productive utilization levels in line with the demand growth over coming quarters. In a nutshell, we are ready to make a significant contribution in our national mission of blossoming a billion dreams.





# A Billion Plus Dream of Shelter

We are excited at the opportunity of fulfilling

**the billion plus dream of providing shelters to all.**

We emphatically believe that day will come when every Indian will have his dream home.





Currently  
**81%** of our  
 sales is  
 trade sales

and we predominantly cater to rural and tier II and III cities and are well placed to meet the need for cement in these regions to make their initiative take shape.

**The fact that a large number of Indians do not have a home stands as a contradiction to India's aim of gaining a formidable position in the global arena supported by its growing economic activities. Housing is a basic human need and each Indian desires to have a house - it's a billion plus dream.**

Given this, Government's plan of providing housing to all by 2022 comes as a very big initiative. The plan of building 6 Cr houses in rural and urban areas by 2022 will create a huge requirement for the building material. Rising income in the rural area supported by Government policies ensuring employment generation in villages is also expected to provide a fillip to this cause and shifting more Indians to a Pucca home.

Our cement manufacturing plant at Satna is strategically located, which gives us easy access to markets in Central and Eastern India namely Uttar Pradesh, Madhya Pradesh and Bihar. Currently 81% of our sales is trade sales and we predominantly cater to rural and tier II and III cities and are well placed to meet the need for cement in these regions to make their initiative take shape. Being one of the leading integrated building materials Company, we have all the required products (Cement, RMC, Tiles, Taps, Sanitaryware) and capabilities to stand out to the nation's call for Housing for All.

We are excited at the opportunity of fulfilling the billion plus dream of providing shelters to all. We emphatically believe that day will come when every Indian will have his dream home.



# A Billion Plus Dream of Development

**A dream of being an economic super power needs to be supported through a modern infrastructure. A developed network of roads, railways, ports, airports, monorails and metros which will facilitate easy transportation is required at the basic stage to help speed up the economy.**

The central Government has significantly enhanced its focus and has taken the approach of placing infrastructure as the prime mode of growth to refuel the economy which has been at a poor shape for last few years. Large allocation of fund has been proposed in the Union Budget 2015-16 for sectors such as Roads, railways and other mode of mass urban transportation along with ports and airports making them the prime area of focus in the Government's effort of infrastructure improvement. Further to propel the economy, the Government has taken a number of initiatives such as 100 smart cities, Make in India drive and developing dedicated freight and Industrial corridors. This will bring back the shine in the laggard infrastructure sector. The recent announcement to increase the average per day

highway development which is less than 10Kms per day (KPD) to 30KPD in next two years depicts Government's impetus on speedy development.

For the speedy development along with assured material quality there is an increasing need for ready mixed concrete. We are currently one of the leading RMC players in India and are ready to address this need by our vast network of 81 RMC plants spread across 35 cities. Our high quality PPC & premium range of cement under the brand Hi-Tech provides high strength and durability to the structure.

We, at Prism Cement are excited with the grand opportunity to build up the massive infrastructure for the nation and thus fulfilling the billion plus dream for development/growth by imparting the much required momentum.

We are currently one of the leading RMC players in India and are ready to address this need by our vast network of

## 81 RMC

plants spread across 35 cities. Our high quality PPC & premium range of cement under the brand Hi-Tech provides high strength and durability to the structure.





A developed network of

**Roads, Railways,  
Ports, Airports,  
Monorails & Metros**

which will facilitate easy transportation is required at the basic stage to help speed up the economy.



# A Billion Plus Dream of Cleanliness



**India has finally awakened to the famous saying 'Health is wealth' and the Government has significantly increased its focus on cleanliness which single handedly can eradicate many diseases.**

Given our unique business model of integrated building material solution offering products ranging from Cement to Tiles, Taps and sanitary ware we are best placed in the industry to support the cleanliness drive. Our 9 manufacturing plants with capacity to supply 54.5 million m<sup>2</sup> of ceramic tiles are ready to cater to this need across India. We, at Prism Cement are geared up to take this opportunity to accelerate our business and to realize the dream of making India a clean nation.

Sanitation which should be a way of life to safeguard health is still inadequate in India. The practice of open defecation in India is due to a combination of factors – the most prominent of them being the traditional behavioural pattern and lack of awareness of people about the associated health hazards. Launching of ambitious program such as 'Swachh Bharat Mission (SBM)' aiming to bring about an improvement in the general quality of life in the rural areas by promoting cleanliness, hygiene and eliminating open defecation points towards the much needed issue of hygiene. Through this program large number of toilets will be built in rural area in the next 5 years.

Water being the harbinger and sustainer of life, it is essential to save our already contaminated rivers from more pollution. The river development and rejuvenation program aiming to clean up the rivers will not only ensure water quality but also create an environment of sustainable development.





## Water being the harbinger and sustainer of life, it is essential to save our already contaminated rivers from more pollution.

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# Financial Highlights

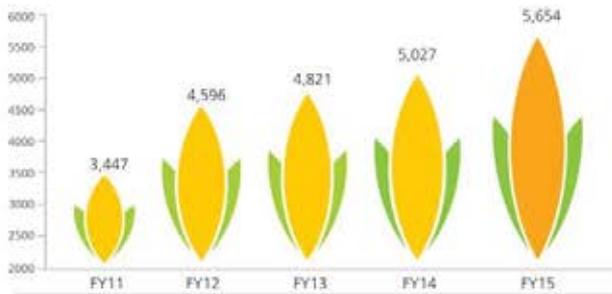
Consolidated Financials (₹ Cr)

PARTICULARS	FY15	FY14	FY13	FY12	FY11
Total Income from Operations (net)	5,654.4	5,026.6	4,820.6	4,596.2	3,447.4
EBITDA	351.2	179.3	305.7	308.3	377.4
EBITDA Margin (%)	6.2	3.6	6.3	6.7	10.9
EBIT	186.4	(21.1)	125.8	146.1	250.5
EBIT Margin (%)	3.3	(0.4)	2.6	3.2	7.3
Net Profit	2.6	(86.2)	(62.5)	(18.4)	105.0
Net Profit Margin (%)	0.0	(1.7)	(1.3)	(0.4)	3.0
Equity	1,054.3	1,058.8	1,148.6	1,210.6	1,250.6
Gross Block	3,998.8	3,902.5	3,575.3	3,295.1	2,995.9
Gross Debt	2,237.7	2,105.3	2,022.1	1,597.0	1,364.4
Current Investments	86.1	114.6	106.2	120.4	113.4
Cash & Cash Equivalents	129.6	110.7	98.9	92.6	90.9
D/E (x)	2.1	2.0	1.8	1.3	1.1
RoCE (%)	5.7	(0.7)	4.0	5.2	9.6
Book Value per Share (₹)	20.9	21.0	22.8	24.1	24.8

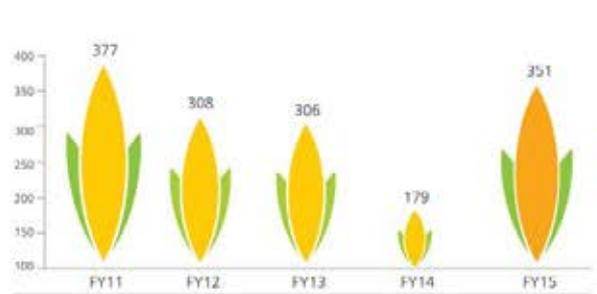




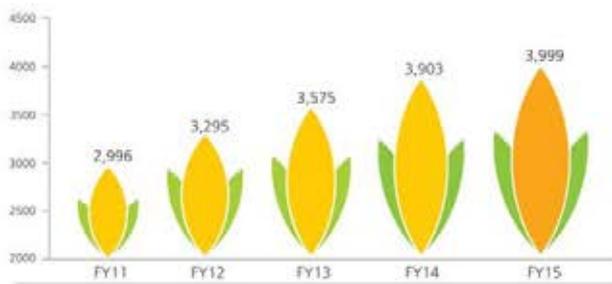
### Income from Operation (In ₹ Cr)



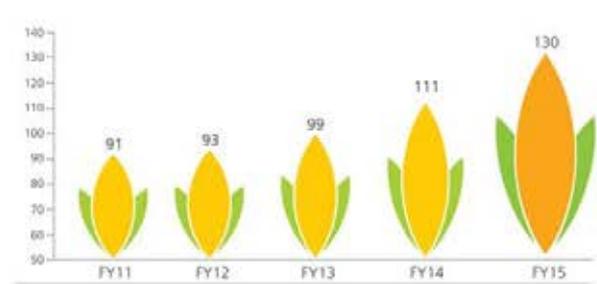
### EBITDA (In ₹ Cr)



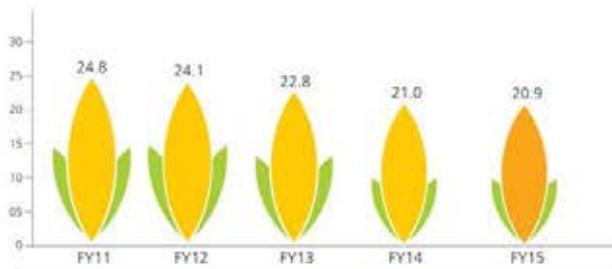
### Gross Block (In ₹ Cr)



### Cash and Cash Equivalent (In ₹ Cr)



### Book Value Per Share (In ₹)



### RoCE (In %)



# Letter from Managing Director



## Dear Shareholders,

The year FY15 has been a year of renewed business confidence. The year, though started on a weak note with high inflation and poor IIP growth, gradually revived with improved macroeconomic scenario. The slump in the global commodity prices has also been a key positive for the Indian economy along with a number of initiatives taken by central Government.

The increased allocation of funds in the Union Budget for the infrastructure sector and increasing the FDI limit for infrastructure sector is a clear indication that the Government is determined to revive this laggard sector. The year also was marked by the announcement of a number of ambitious projects such as Make in India, Swachh Bharat Mission, Housing for all, 100 Smart Cities, etc., providing an impetus to the construction sector. Adding to this is a proposal for innovative financial instruments to aid necessary funding and restarting the projects stalled due to regulatory hurdles. These measures along with Government's commitment towards bringing reform in business regulations and Central Bank's action on monetary easing amid sign of controlled inflation has brought lot of optimism in the economy.

At the Company level, the significant motivation and dedication shown by the management and employees during the last few years of testing times have started showing the result now. Thanks to the improved demand for cement and rationalisation activities done by us, we operated at 80% utilization level during the year, much higher than that of last year. The slump in global commodity prices have also led to cost benefits on power & fuel for the company. During the year, our captive coal block was de-allocated but having shifted largely to cost effective pet coke and entitled for reimbursement of the investment done, we were well covered. What is encouraging is that Central and East India where we operate are witnessing healthy growth with many of the infrastructure projects coming up in this region and there are no plans of additional capacities coming up in Satna cluster. Our RMC Division which currently is operating at below potential is also ready to tap the growing demand for concrete with its nationwide presence.

The TBK segment has been in steady state now after a lull period crippled by power and fuel issues. With the coal gasifiers having stabilised and steady availability of power, the issue stands resolved and operations remained uninterrupted except for two quarters when GAIL went for maintenance of one of its gas pipeline. We have increased our focus to further strengthen up the Johnson brand by new TV commercials and scaled up the marketing activities. We believe this series of branding exercise will take our TBK business a long way.

India today stands at a cusp of a new dawn. Supported by a pro-reformist Government, the billion plus population is dreaming of betterment- shelter, development and cleanliness. This coupled with many positive developments in macroeconomic level has opened up a plethora of opportunities for us. We are ready to actively participate in realizing the billion plus dream of the nation and blossom in this process. The Cement and RMC segments are expected to be the direct beneficiaries of higher investment plan for the construction sector. Also with large number of commercial and residential buildings coming up, demand for the TBK products will be on the upswing. While demand growth may remain subdued in near term, medium term outlook appears to be encouraging.

I take this opportunity to thank all our stakeholders for their belief in Prism Cement and also thank our employees for their valuable contribution and dedication.

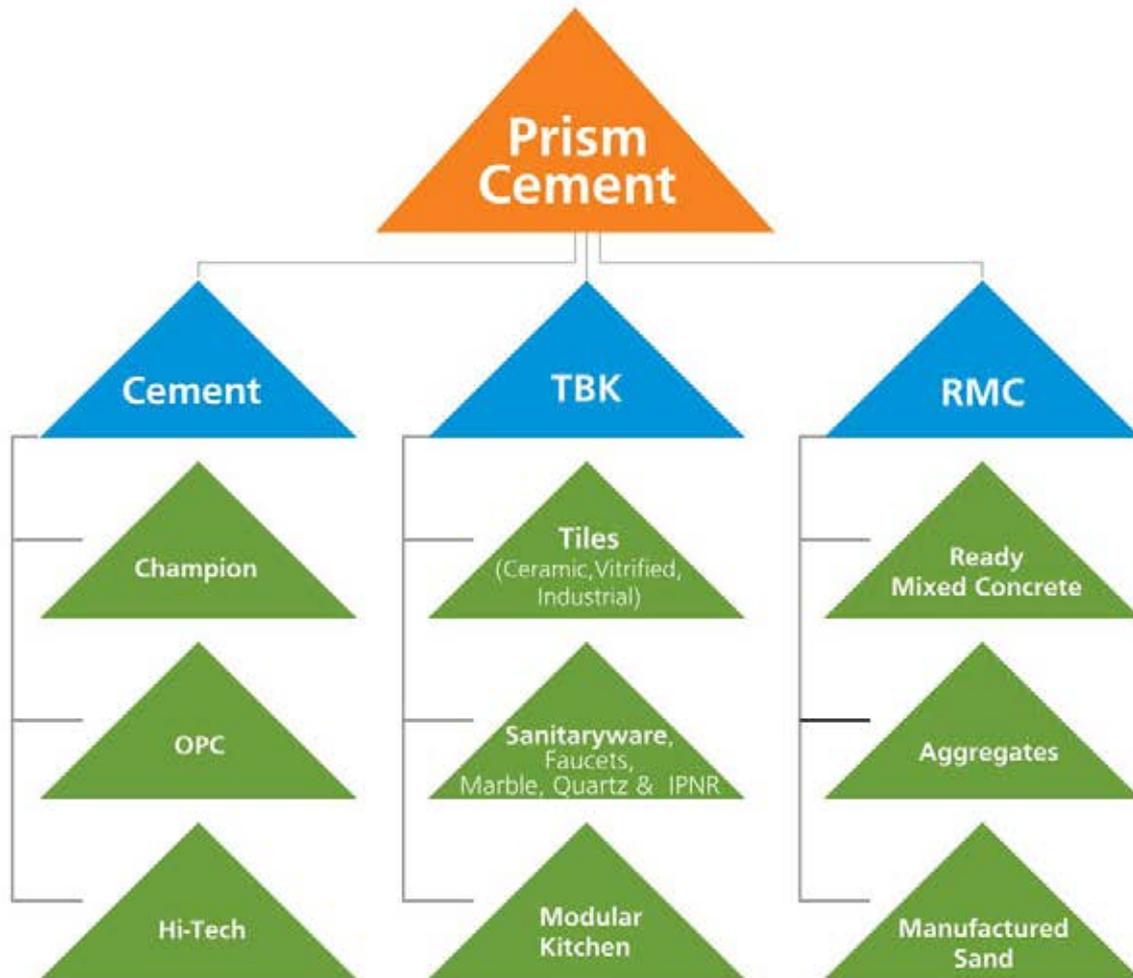
Yours Sincerely

**Vijay Aggarwal**



# The World of Prism

Prism cement is an integrated building materials company with interest in Cement, Tiles, Bathroom & Kitchen (TBK) and Ready Mixed Concrete (RMC). The company has three Divisions, viz. Prism Cement, H & R Johnson (India), and RMC Readymix (India).



## Distribution Network

Cement Dealers 3,800  
TBK Dealers 1,000  
Retail Dealers 10,000

Market Capitalization  
(As on 31<sup>st</sup> March 2015, BSE)

**₹ 5,073 Cr**

Gross Sales (Consolidated)

**₹ 5,654 Cr**

Gross Block (Consolidated)

**₹ 3,999 Cr**

Net Worth (Consolidated)

**₹ 1,054 Cr**

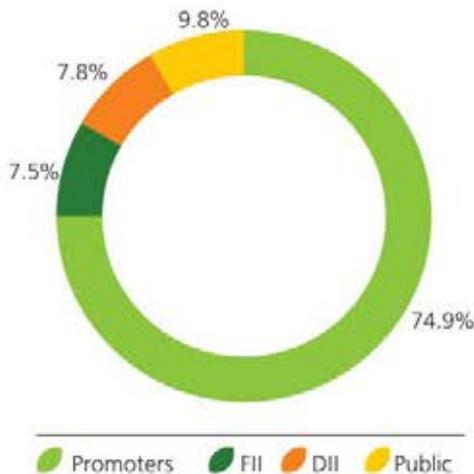
House of Johnson Outlets

**28**

RMC Plants

**81**

Shareholding pattern as on 31<sup>st</sup> March 2015



## Raheja QBE General Insurance Company Ltd

Prism currently holds 74% stake in Raheja QBE General Insurance Company Ltd, a Joint Venture with Australia based QBE Insurance Group (holds 26% stake). QBE Insurance Group is one of the Australia's largest international General Insurance and Re-insurance group operating across more than 4 dozen countries. Raheja QBE General Insurance was licensed in December, 2008 as 21<sup>st</sup> General Insurance Company in India. RQBE's Insurance business focuses on specialty products like liability insurance, marine liability, trade Credit, etc.



### List of Public shareholding more than 1% as on 31<sup>st</sup> March 2015

HDFC Trustee Company Ltd- Hdfc Equity Fund	2.69%
Goldman Sachs India Fund Ltd	1.71%
ICICI Prudential Discovery Fund	1.35%
Morgan Stanley Asia (Singapore) PTE	1.35%
National Westminster Bank Plc as Trustee of the Jupiter India fund	1.23%

# Segment Review

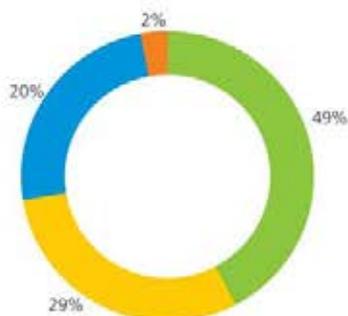
## Prism Cement

Prism Cement is a central India based cement manufacturer with units at Satna, MP and nameplate capacity of 5.6 MTPA of cement (potential to sell 7 MTPA of cement and clinker). It manufactures Portland Pozzolana Cement (PPC) with the brand name of 'Champion', 'Hi-Tech' and Ordinary Portland Cement (OPC). The majority of revenue (97%) from cement business comes from PPC (Champion and Hi-Tech).

Prism Cement has a 3,800 strong dealers network serviced from around 90 stocking points well spread across UP, MP, Bihar and Chattisgarh with average lead distance of around 399 kms. The trade channel accounts for 81% of the revenue reflecting the strength of Company's dealer network.

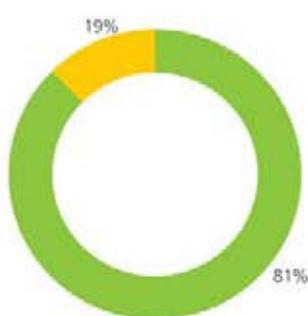
The Company plans to set-up a Greenfield plant in AP for which mine development activities are on.

Region wise Cement Sales Mix



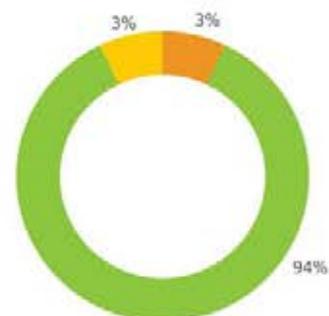
UP MP Bihar  
Chhatishgarh

Cement Sales Channel Mix



Trade Non-Trade

Cement Product Mix



PPC Hi-Tech OPC

## Operational Review

- Various cost initiatives were taken during the year like introduction of imported coal and scaling up of pet coke in manufacturing, etc.
- Capacity utilization stood at 80%
- The Sial Ghogri Coal Block was de - allocated pursuant to the judgment of the Honourable Supreme Court of India
- Prism Limestone mines awarded during Mines Environment & Mineral Conservation Week of Jabalpur Region:  
Third Prize in
  - 1) Management of sub - grade Minerals
  - 2) Waste dump Management and
  - 3) Publicity Propaganda.

## Financial Review

Particulars	FY15	FY14	FY13
Sales Volume (Cement & Clinker) – Lakh Tonnes	56.2	51.17	47.65
Revenue (₹ Cr)	2,201	1,947	1,882
EBITDA (₹ Cr)	228	89	162
Margin	10.4%	4.6%	8.6%



## H & R Johnson (India)

H & R Johnson (India) operates in the TBK (Tiles, Bath and Kitchen) segment. It is the pioneer of ceramic tiles in India and was established in 1958. It has 9 tile manufacturing plants across India and a wide distribution network of over 1,000 dealers, 10,000 sub-dealers, 49 branches and 28 House of Johnson showrooms.

The Bathroom products include bath fitting and sanitary ware. It has two manufacturing plants at Baddi (HP) and Samba (J&K).

Johnson Kitchen is the modular kitchen business foray of H & R Johnson (India). Johnson Kitchen has a versatile product range offering German as well as Indian modular kitchens. It has tie

up with German modular kitchen manufacturer Nobilia for sourcing the products. Johnson Kitchen also has contractual arrangements with Indian manufacturers to provide with Indian modular kitchen range. It also produces tile fixing adhesives, grouts, industrial flooring and waterproofing through its joint venture ARDEX ENDURA (INDIA) PVT LTD (AEIPL) (50% JV with Ardex, Germany). AEIPL has plants at Bangalore, Karnataka and Baroda, Gujarat and 28 branches across India.

It has 9 tile manufacturing plants across India and a wide distribution network of over

**1,000 dealers, 10,000 sub-dealers, 49 branches & 28 House of Johnson showrooms.**

## Product Details

Brand	Product
Johnson	Complete range of ceramic tiles, engineered marble & quartz, bath products and Kitchen
Johnson Marbonite	Complete range of vitrified tiles
Johnson Porcelano	Glazed vitrified tiles
Johnson Endura	Industrial tiles and special application tiles like swimming pools
Ardex Endura	Tile fixing adhesive, grouts, industrial flooring, water proofing

## Operational Review

- The year saw about 16% growth in revenue. This is attributed to renewed marketing initiative and on going focus on value added products
- Gas supply in one of the Andhra Pradesh Plants which was disrupted due to pipeline maintenance by GAIL. In the interim two quarters we had to resort to sourcing LPG
- Capacity utilization stood at 75%
- Won the award for Largest Tiles, Ceramics & Sanitaryware company in India by Construction World Magazine
- The Company also won the Global CSR Excellence & Leadership award for Best use of CSR practice in manufacturing. This award was presented by World CSR Congress

## Financial Review

Particulars	FY15	FY14	FY13
Revenue (₹ Cr)	2,227	1,916	1,832
EBITDA (₹ Cr)	77	45	89
Margin	3.5%	2.3%	4.9%



## Awards



"Largest Tiles, Ceramics & Sanitaryware Company in India"  
by Construction World Magazine

**Safety Council Awards for  
Nemargomula Crusher Plant**



1st Prize in Overall  
Performance in Group A+



2nd Prize in Mine working





## RMC Readymix (India)

RMC Readymix (India) is one of the leading ready-mixed concrete manufacturer in India with over 7 million m3 capacity. It has 81 manufacturing units spread across 35 cities in India.

RMC Division of the Company has also done partial backward integration and has quarries for aggregates. Moreover, it also has facilities to manufacture sand in some locations. This gives the Division a strong competitive advantage in the market by ensuring regular supply of key input materials.

### Operational Review

- In view of subdued environment, the Division de-mobilized a few of its plants in order to keep the costs under control
- Capacity utilization stood at 40%
- The Division won 7 NSCI Safety Awards-2014 organized by National Safety Council of India

### Financial Review

Particulars	FY15	FY14	FY13
Revenue (₹ Cr)	1,204	1,143	1,128
EBITDA (₹ Cr)	30	40	49
Margin	2.5%	3.5%	4.3%

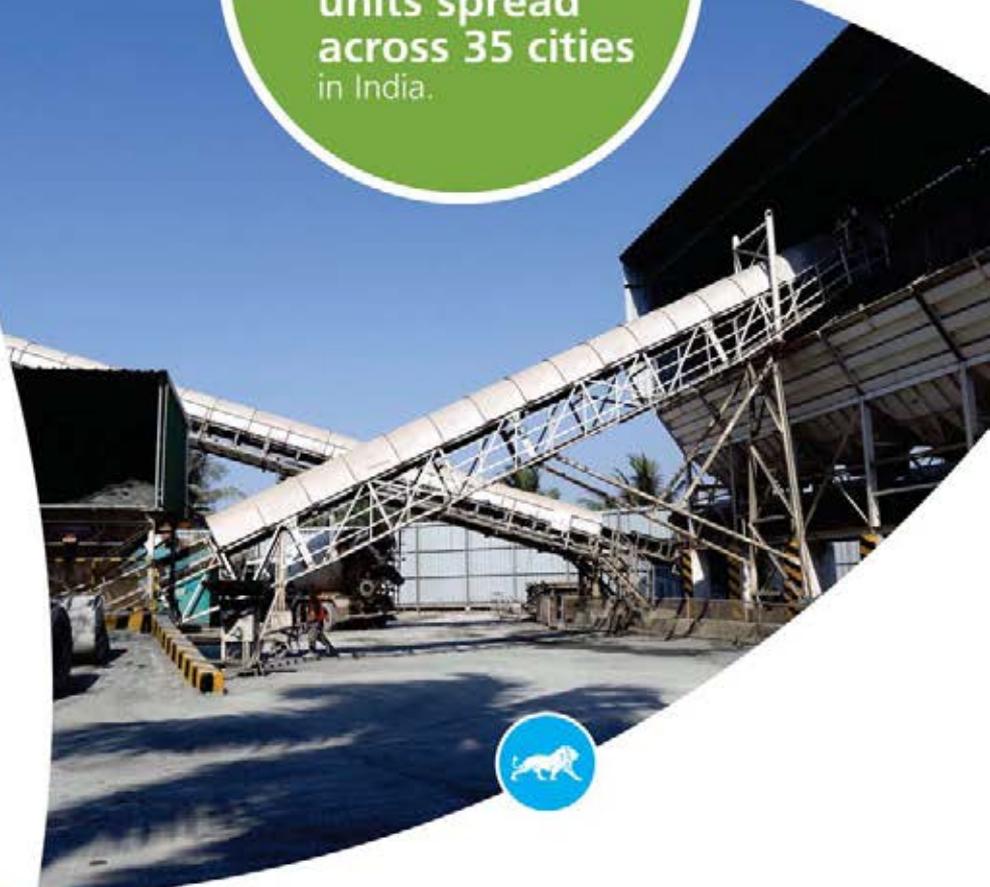




It has 81  
**manufacturing  
units spread  
across 35 cities**  
in India.

# RMC

Division of the Company has also done partial backward integration and has quarries for aggregates. Moreover, it also has facilities to manufacture sand in some locations.





## NSCI Safety Awards-2014 (MSME Sector)

This prestigious Award ceremony was organised by National Safety Council of India on 12th March 2015. The Company's Seven Plants of RMC are awarded in the NATIONAL SAFETY AWARD CONTEST -2014. These awards were handed over by Shri Bandaru Dattatreya (Honourable Minister of State, Labour & Employment, Govt. Of India) and in presence of Shri Shankar Aggarwal (IAS) (Secretary, Ministry of Labour & Employment, Govt of India.).



This prestigious Award ceremony was organised by National Safety Council of India on 12th March 2015. The Company's Seven Plants of RMC are awarded in the NATIONAL SAFETY AWARD CONTEST -2014.



# Corporate Information

## ● Board of Directors

**Mr. Rajesh G. Kapadia**

Chairman

**Mr. Rajan B. Raheja**

**Mr. Vijay Aggarwal**  
Managing Director

**Mr. Ganesh Kaskar**

Executive Director – HRJ

**Mr. V. M. Panicker**

Executive Director – RMC

**Mr. J. A. Brooks**

**Ms. Ameeta A. Parpia**

**Mr. Shobhan M. Thakore**

From June 19, 2014

**Mr. Satish B. Raheja**

Upto May 27, 2014

**Mr. Akshay R. Raheja**

Alternate to Mr. Satish B. Raheja

Upto May 27, 2014

**Mr. S. Ramnath**

Executive Director – Cement

Upto February 4, 2015

## ● Chief Financial Officer

Mr. Pramod K. Akhramka

## ● Company Secretary

Ms. Aneeta S. Kulkarni

## ● Investor Relations

Mr. Munzal Shah

General Manager (Investor Relations)

Tel: +91 22 6675 4142-46

Email: investorrelations@prismcement.com

## ● Corporate Office

'Rahejas', Main Avenue, V. P. Road  
Santacruz (West), Mumbai - 400 054.

## ● Registered Office

305, Laxmi Niwas Apartments,  
Ameerpet, Hyderabad - 500 016.

## ● Registrar & Transfer Agent

Karvy Computershare Private Limited  
Unit : Prism Cement Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad - 500 032.

## ● Bankers

Axis Bank Limited  
ICICI Bank Limited  
IDBI Bank Limited  
Indian Overseas Bank  
Kotak Mahindra Bank  
(erstwhile ING Vysya Bank Limited)  
Ratnakar Bank Limited  
State Bank of India  
Vijaya Bank  
Yes Bank Limited  
Standard Chartered Bank

## ● Auditors

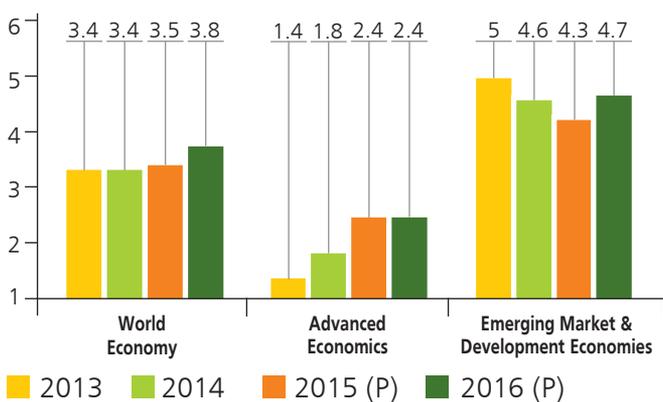
G. M. Kapadia & Co., Mumbai

# Management Discussion and Analysis

## Global Economy

As per the IMF's World Economic Outlook Report April, 2015, the global growth rate remained unchanged at 3.4% in 2014 compared to 2013. The report projects global economy to inch up to 3.5% in 2015. The advanced economies have improved and recorded a higher growth rate of 1.8% in 2014 as against 1.4% in 2013. It is projected to grow at 2.4% in 2015. Growth in the emerging and developing economies has slowed down to 4.6% in 2014 compared to 5.0% in the previous year. The slow growth in these economies is due to the subdued performance in some major emerging economies.

### Global GDP Growth (%)



Source: IMF's World Economic Outlook Update April, 2015

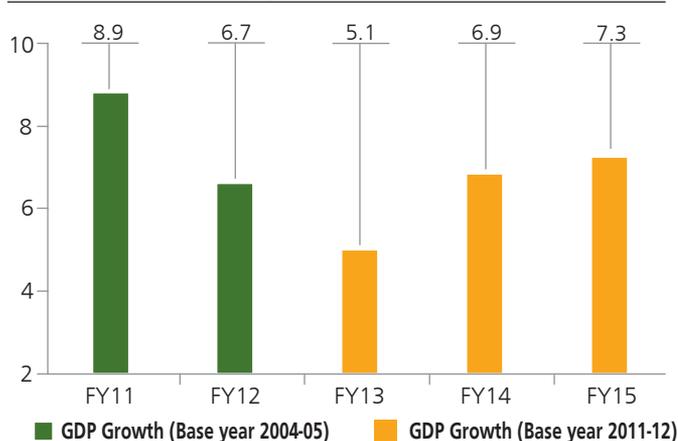
## India Economy

New Government's initiative on various policy reforms such as increasing investment in infrastructure segment and raising FDI limit in Railway infrastructure and insurance bode well. This is a good indication as the economy will improve largely due to investment instead of riding on a consumption led growth. Government is also working on a plethora of reforms to ease the environment for doing business in India. One of such agenda is to introduce a Public Contracts (Resolution of Disputes) Bill which will provide time bound mechanism for resolution of disputes.

The India economy grew by 7.3% in FY15 as per CSO's new method of calculation taking 2011-12 as the base. The Consumer Price Inflation eased up gradually throughout the year to reach at RBI's comfort zone from the high of 8.59% in April 2014. In line with curtailed inflation, the Central Bank reduced the repo rate thrice by 75 basis points during the calendar year 2015. However,

banks were not eager to pass on the benefit of lower interest rate to the customers. The Index of Industrial Production (IIP) grew by 2.8% in FY15 compared to a contraction of 0.1% in the last year reflecting a pick up in the industrial activities. All macroeconomic indicators currently indicate India is currently very well placed to charter a higher growth trajectory.

### GDP Growth of India (%)



## Opportunities

A concreted focus has been directed on the improvement on infrastructure by the new Government.

**Make in India:** In order to make India a global manufacturing hub, Government has embarked upon an ambitious campaign, termed popularly as "Make in India". The Government has identified 25 key sectors which include Automobiles, Chemicals, IT, Pharmaceuticals, Textiles, Ports, Aviation, Railways, Leather, Hospitality & Tourism in which India can excel in world trade and manufacturing. The program aimed at easing the business environment, improving country's infrastructure and increasing foreign investment in India, envisages the manufacturing sector to grow over 10% on a sustainable basis in the long run. This will require construction work for these industries which will create a huge demand for cement and other building materials auguring well for the building material industry.

**Infrastructure:** The Government rolled out a new policy paradigm by shifting its focus to increase public expenditure in capital formation central to its road map for economic growth in line with the recommendations of the economic survey. The Government's initiative has come at the right time when investment in the infrastructure segment by the private sector has been low.

In the Union Budget 2015-16, allocation for capital expenditure has been increased by 25.5% to ₹ 2,414 billion from ₹ 1,923 billion supported by savings in oil subsidies and hike in excise duties on petrol and diesel.

Investments for development of national highways was proposed to be hiked by 178% y-o-y to ₹ 856.07 billion. It is envisaged to construct about 5,800 km road annually.

Government initiative to restart as many as 189 stalled projects due to lack of environmental clearances and land acquisition also stands as a sharp relief for the road sector. A Crisil Report in December 2014 mentions that, out of the 16 projects awarded in FY14, work has started on 12 (75%) of them with clearance time dropping to 7 months from a year it took earlier.

The Plan outlay for the Railways has increased by a massive 54% to ₹ 984 billion for FY16 over ₹ 639 billion in FY15.

The Project awarded in DFC, which had been muted since H1CY13, has revived with ~₹ 77 billion worth of contracts recently awarded. With a large number of projects entering the bidding stage, the order line is expected to remain robust over till FY18 with ~₹ 475 billion orders likely to get awarded.

Centre's plan of evaluating Metro rail projects in cities with 2 million plus population has provided an impetus to this mode of transportation. Metro projects are already operational in 5 cities; construction is in the process in 17 cities and is at various stages.

The Committee on Infrastructure initiated several policy measures that aimed at time-bound creation of world-class airports in India. The XII Five Year Plan has envisaged an investment of ₹ 600 billion on the airport sector. Besides, Government has come up with key policies such as permission for 100% FDI for existing airports with FIPB approval over 49% and 100% FDI in Greenfield airports through automatic route with the aim to attract foreign investment in airport infrastructure. Large-scale improvisation and expansion in Indian airport infrastructure, coupled with active Government support for private participants, particularly in Greenfield projects is expected to provide a boost up to this sector.

The Government in the XII Plan aims to spend over ₹ 1.7 trillion for the development of the port sector. The current policy direction is oriented to encourage the private sector to take the lead in port development and operations. 100% FDI under the automatic route is permitted for port development projects and 100% income-tax exemption is available for 10 years.

Additional to this, Government's plan to set up 5 Ultra Mega Power Project (UMPP), promoting port-led development through its ambitious Sagarmala Project is expected to boost up the infrastructure creating huge demand for the cement sector.

In order to create additional funding resources for the private developers, a National Investment and Infrastructure Fund has been proposed to set up with an annual funding of ₹ 200 billion. This will enable the trust to raise debt, and in turn, invest it as equity in infrastructure finance companies such as the IRFC (Indian Railway Finance Corp. Ltd) and NHB (National Housing Board).

Government is also working on a plethora of reforms to ease the operating environment for infra projects. One of such agenda is to introduce a Public Contracts (Resolution of Disputes) Bill which will provide time bound mechanism for resolution of disputes.

**Swachh Bharat Mission:** Swachh Bharat Mission (SBM) is a comprehensive programme to ensure sanitation facilities in rural areas with broader goal to eradicate the practice of open defecation by 2019. SBM is running in all the 607 districts across the country.

To give a boost to the programme, the Government has brought it in convergence with the rural housing scheme, Indira Awaas Yojana, and sought financial and technical support from the World Bank, besides asking corporates to undertake the project as part of their corporate social responsibility initiative. Responding to the Prime Minister's call, many corporates have undertaken construction of toilets in different areas as a part of their CSR activity.

As part of the mission, significant amount has been allocated by the Government for building a large number of toilets in rural India over the next five years. Eradicating open defecation and manual scavenging, managing solid waste in urban areas, etc. are also in the agenda.

Swachh Bharat mission is expected to give a boost to the cement and Tiles and Bath segment with investments being directed towards construction of toilets and sanitation facilities throughout the country.

**Housing for all by 2022:** Urbanisation in India is expected to grow at a rapid rate over the next few decades due to changing demographic trend and large migration of rural people to cities for living hood as scarcity of farming land is set to increase in the coming days. The shortage of housing was estimated around 6.2 Cr as per Census, 2012. A KPMG Study estimates that India's urban population is expected to reach about 81 Cr by 2050 with more than 1 Cr population getting added annually to urban areas creating huge demand for housing in the cities.

Acknowledging the importance of housing issue in the country the central Government has launched a massive campaign that promises to provide housing to all its citizens by the year 2022. In line with the ambitious campaign, the Government in the Union Budget 2015-16 has called for building 6 Cr 'pucca' houses (2 Cr houses in rural India and 4 Cr in urban India) for poor in the country by 2022. The budgetary allocation for Urban Development Ministry was increased to ₹ 168.32 billion in 2015-16 as against the revised estimate of ₹ 110.13 billion in 2014-15. For the Housing and Urban Poverty Alleviation (HUPA), the budgetary allocation was hiked from ₹ 34 billion in FY15 to ₹ 56.34 billion for FY16. Increased impetus in the housing sector which is the largest consumer of cement in India is good news for the cement sector. Construction of new houses will generate robust demand for TBK segment also spurring growth for the sector.

## Cement

The Indian cement industry with a total capacity of 390 million tonnes (MT) is the 2nd largest market after China accounting for about 8% of the total global production. Cement is a cyclical commodity with a high correlation with GDP. The housing sector is

the biggest demand driver of cement, accounting for about 67% of the total consumption. The other major consumers of cement include infrastructure (13%), commercial construction (11%) and industrial construction (9%).

The cement industry witnessed huge capacity expansion of ~159 million tonne (MT) post FY07. This was largely lured by improving fundamentals of the cement industry as profitability of Indian cement companies reached historically high levels in FY07, Hoping to benefit from higher profitability, the cement manufacturers increased their installed capacities which distorted the demand-supply dynamics of the industry. The rush for the capacity expansion is obvious from the fact that out of the 243MT of new capacities in the last 18 years in India, 159MT (~65%) came up in the last 6 years itself. The average utilization rate for the industry has come down from 100% level in FY08 to around 71% in FY14 led by weak demand over supply situation in the industry.

The demand supply situation tilted heavily towards the supply for a long time now has displayed a sign of recovery led by low pace of capacity addition and better demand prospects due to economic recovery supported by a thrust in the infrastructure and housing sector by the Government. The political stability in South India after the formation of new State of Telengana is also likely to boost up the construction activity in the southern region leading to better prospect for the cement sector. Cement capacity utilization has improved to 74% in FY15 from around 71% in FY14 reflecting rebound in the demand. The Union Budget has also been on the right direction with a focus on the infrastructure improvement with a sharp rise in investment in this segment. Rise in the freight rate in Rail Budget for cement and coal and increasing excise duty in cement ((12.5% + ₹ 125/Tonne) from (12.4% + ₹ 120/Tonne)) and clean energy cess on coal (₹ 200/MT from ₹ 100/MT) in the Union Budget is likely to be a dampener for the cement players if they are not able to increase the price of cement.

In the long term, growth prospect for the sector remains very strong given that per capita consumption of cement in India still remains substantially low at about 192 kg when compared with the world average which stands at about 365 kg (excluding China).

The profitability for the sector is expected to improve in FY16 backed by low fuel and freight cost. Power and fuel -the highest cost component for cement manufacturing accounting for 27-29% of the total operating cost is likely to remain low as the international coal price is in the downtrend. In line with the coal price the pet coke price also declined in 2014.

The freight and forwarding cost accounts for 20-25% of the total operating cost. Around 50-55% of the total cement transport is carried by road and the rest is by the railway. With weak international crude oil price the diesel cost is likely to remain low keeping a check on the freight cost for the cement manufacturers.

## **RMC**

The ready mixed concrete industry (RMC) made its entry into the country in the 90's however its usage was restricted to only

major construction projects. RMC gained momentum in the last 20 years owing to rapid infrastructure development. The market which was primarily dominated by big raw material, essentially cement suppliers has changed a lot over the last 8-10 years with the arrival of many smaller companies in the market and spreading to a wide part of the country including metros and the Tier 2 cities. (Construction Opportunities)

Though the RMC sector in India is growing rapidly at a pace however the business is still in its infancy state. In India, RMC contributes less than 10% where in developed economies RMC forms around 70-75% of the total concrete market share.

RMC usage will increase in cities in the days ahead driven by constraints of construction space and need to control environmental pollution. Besides, application of RMC does not involve manual labour giving it an upper hand over site mixed concrete which requires a pool of skilled labours.

According to Cement Vision 2025, a Confederation of Indian Industry (CII) and AT Kearney report released on April 2014, RMC accounts for 8% of overall cement demand in India. This share is expected to increase up to 25% by 2025, the report said.

## **Tiles, Bath & Kitchen Tiles**

As per the Industry sources, the Indian ceramic tiles market size is estimated to be around ₹ 240 billion and is growing at a CAGR of 12-13%. The Indian ceramic tiles market ranks third globally with a production capacity of around 750 million sq m and accounting for over 6% of the total global production. The organised segment makes up approximately 40% of the sector, and the top eight manufacturers constitute over 75% of the organised market. A large number of small or medium-scale manufacturers operate in the unorganised segment, mainly through plants in Gujarat.

The main product segments are the Wall tile, Floor tile, Vitrified tile and Industrial tile segments. The tiles are available in a wide variety of designs, textures and surface effects. They cater to tastes as varied from rustics to contemporary marble designs in super glossy mirror finishes.

Increasing share of pucca houses (typically of concrete, brick, stone or timber) in rural India and the growing share of tiles used as flooring material, rapid urbanisation and a taste for high-end tiles will act as the driving factors for the demand of ceramic tiles in India . The share of pucca households is expected to increase from 63% in 2011 to 79% in 2021. The share of tiles used in floor material has increased from 7% in 2001 to over 10% in 2011, and is expected to reach 16% by 2021.

## **Bath Sector**

The bath sector comprises of sanitary ware and Bath fitting products. The size of the industry is estimated at around ₹ 120 billion. According to Industry sources, the bathroom fittings & sanitaryware market is expected to witness a healthy growth over

next 5-6 years. The growth will be driven by rise in purchasing power of individuals leading to higher aspiration, rapid urbanization and increase in number of nuclear families.

Indian sanitaryware market consists of both organized players and unorganized players, with organized players holding the 60% of the market. With increasing brand awareness and demand for luxurious and stylish sanitaryware, the market share of organized players in the overall sanitaryware market is expected to increase in coming years.

### Modular Kitchen

A modular kitchen is basically a range of fixtures and cabinets put together in a planned manner to make the daily kitchen tasks easier. Modular kitchens are customized based on the requirements of the consumer. Based on the need of the consumer, it can be set up with various accessories like chimney, burner etc. The total size of the market is estimated at around ₹ 25 billion. Presently 80% of the market is unorganized with the presence of local and small players which include carpenters making self-designed kitchens based upon the requirements of the households. Convenience, efficient use of space, and lifestyle changes is driving the growth in the modular kitchen market. At its initial stage till now, the organised modular kitchen market has witnessed entry of foreign players and forming joint ventures with local partners and increase in private equity investment. A report of Tech Navio estimates the market to grow at a CAGR of 42.93% over the period 2013-18.

### Financial Review

Total revenue for FY15 grew by 12%. Cement and TBK division recorded revenue growth of 13% and 16% respectively in FY15. Various cost saving initiatives taken by us in the recent times such as usage of low cost fuel have started yielding results now, keeping the cost in check and improving the EBITDA margin in FY15 to 6.2% from 3.6% in the last year. This led to an increase in EBITDA by 96% to ₹ 351 Cr against ₹ 179 Cr in the last year.

During the year, Prism Trust sold its entire holding of 1,23,51,600 equity shares held in the Company to realize ₹ 88 Cr, at an average price of about ₹ 71.50 per share from the transaction. The Company is the beneficiary of the Trust. Prism Trust, which was formed in March 2010, was created after the merger of erstwhile H. & R. Johnson (India) Limited and erstwhile RMC Readymix (India) Private Limited with the Company. The proceeds have been used to reduce the borrowings of the Company. The Company has been replacing the expensive bank borrowings with NCDs in a phased manner to reduce interest cost.

### Cement

Demand remained strong in Central and East India- the sales markets where the Company operates. Clinker and Cement sales was up by 10% in FY15 to 56 Lac Ton compared to 51 Lac Ton in the last year. Realisation was on the higher side for the first two quarters, however, came down in the third and fourth quarter

partially negating the benefit of the various cost initiatives taken by the Company during the year.

The Honourable Supreme Court of India has cancelled the allocation of 204 coal mines in this year. The Sial Ghogri Coal Block in Chhindwara, Madhya Pradesh which commenced mining of coal in March 2014 and had started initial dispatches to the Satna Plant was de-allocated by the decision of the highest judiciary of the country. However, Prism has largely migrated to petcoke as its main fuel and it now consists of almost 61% of the fuel requirement.

Mine development activities for the cement plant at Kurnool District, Andhra Pradesh are in progress.

During the year we have launched Hi-Tech cement in UP. It was launched in Bihar last year.

### RMC Readymix (India)

RMC Readymix (India) recorded a 5% increase in turnover for FY15 over the last year. However increase in costs, especially fuel and lower capacity utilization (around 40%) because of cautious outlook on debtor cycle has affected the profitability.

During the year a few plants were demobilized. The Division is in the process of identifying new locations where it plans to relocate unused / underutilized assets.

### H&R Johnson (India)

Various measures have been taken over the last 12-18 months to address the power and fuel issue in the southern plants. This includes installation of 3 Coal Gassifiers in 2 Plants in AP and winning bids for onshore micro Gas wells in AP. The Kunigal plant in Karnataka has got Regasified Liquid Natural Gas (RLNG) pipeline connection from GAIL (from its Dabhol-Bengaluru pipeline). The steps taken by the Company for a steady supply of power and fuel will ensure smooth flow of the production process.

The Gas supply in one of the Andhra Pradesh Plants which was disrupted due to pipeline maintenance by GAIL in Q2 commenced in the last week of Q3. As a result, the Plant had to run on high-cost fuels (LPG / Propane) during the maintenance period.

Presently, we have 28 House of Johnson showrooms across the country.

A new Nobillia Showroom (Modular Kitchen) was opened in Mumbai.

The Division also launched 60 x 120 Size Tiles in Glazed Vitrified Tiles (GVT) Category.

### Outlook

Government's initiatives to focus on investment in infrastructure is expected to pace up the economy. Policies such as Make in India and increased allocation for road, railways and urban infrastructure will help demand to rebound in the benign construction sector leading to increased demand for cement and ready mix concrete. Central India which is the main region where the Company operates is likely to experience a steady

demand for cement and no new capacities are coming on stream in the Satna cluster. The Company has also over the last 12-18 months taken a slew of measures which has started to reflect in its operating efficiency. The Cement Division's capital employed is at an attractive level of <\$35 / Ton. This would lead to higher return on capital employed as utilization levels go up. Cement Division enjoyed RoCE of 63% in FY10 when its utilization levels were at nearly 100%. RMC Division with its widespread presence across India and with backward integration in some of its plants is well placed to benefit from the rising demand. Government's other ambitious programs such as Housing for all by 2022 and Swachh Bharat Mission reflects a huge opportunity for the cement and TBK sector. With the power and fuel issues addressed, the TBK segment is in a steady state now. The segment is also expected to benefit from a well designed and focused brand exercise. Hence Prism cement is currently placed in a sweet spot with its unique business model and operating leverage.

## Risk & Concerns

**Economic Factor:** The change in macroeconomic conditions such as slowdown in GDP, interest rates, foreign exchange can have an adverse impact on the Company's performance.

**Measures:** The Company continuously monitors the external environment and proactively formulates strategies to manage risk. Also the Company is continuously working towards further lowering its leveraging.

**Political Factor:** Government spending acts as a great push to Infrastructure growth. Also infrastructure development is subject to many clearances.

**Measures:** The Company offers a wide range of products and serves a diverse set of clients across different states. This reduces client concentration and also mitigates regional specific risk. Moreover, the Company caters to housing segment as well in addition to infrastructure which de-risks the business model.

**Credit Factor:** Delay in payments from the clients may lead to shortfall in cash flow and also add to cost with increased working capital.

**Measures:** Company's business is well balanced between institutional and retail clients where more focus is towards retail customers. This reduces the risk of longer working capital cycle and concentration of debtors.

**Cost Factor:** With rising inflation the cost of raw material, power and fuel have moved up drastically and may impact profitability.

**Measures:** The Company has been using various means to reduce cost such as use of pet coke, setting up coal gasifiers, etc. Also with great brand equity the Company is able to pass on the increase in input costs to some extent.

## Human Resource

To achieve the Company's vision for growth; it has set three priorities for the development of its resources, as the Company believes that human capital are quintessential drivers. They are to:

- **Build depth of capability and leadership:**

For building capability and leadership, the Company puts best of its resources to lead the functions. It has a strong team of employees who are making significant contribution towards the strides the Company is taking. The employees are supported by a transparent, dynamic and fair HR Policy, absolutely aligning the Individual and Organization's goals, fulfilling aspirations of both.

- **Live our values and build a performance culture:**

Values and ethics are sine-qua-non for the Company, with clear consequences, which has made it resilient and successful and keeps fuelling the organization on growth path.

The organization has a robust Performance Management System in place which inspires employees to deliver their best in terms of innovations and ideas. The PMS is linked to a transparent and fair reward system enabling us managing committed and well glued employee base. PMS also helps provide appropriate learning and development opportunities to the employees in sync with the requirements in vogue.

The Company believes in and promotes open work culture which gives confidence to the employees and establishes the credibility of the Company.

- **Build an agile, flexible and diverse organisation to sustain growth:**

The Company has taken various measures to restructure the Organization Design as well as the Policies to suit the strategy and business requirement in all the functions enabling it to work in tandem with the business needs.

## Internal Control System

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are designed to maintain strict accounting control, optimum efficiency in operations and utilisation of resources as well as financial reporting, protection of Company's tangible and intangible assets and compliance with policies, applicable laws, rules and regulations. The adequacy of these systems are routinely tested by Statutory as well as external Internal Auditors and cover all offices, factories and key business areas.

Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews the financial reporting process and monitors the implementation of audit recommendations including the compliance with accounting standards and other legal requirements relating to financial statements. The Committee, headed by a Non-executive Independent Director, ensures independence of the function and transparency of the process.

# REPORT ON CORPORATE GOVERNANCE

## Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors and employees. The Company and its Board of Directors firmly believe that strong governance, by maintaining a simple and transparent corporate structure, is integral to creating value on a sustainable basis. Good governance is a continuing exercise and the Company reiterates its commitment to pursue the same in all aspects of its operations in the overall interest of all its stakeholders. The Directors and employees have accepted a Code of Conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

In keeping with its commitment to good corporate governance which, it has always believed leads to efficiency and excellence in operations, the Company has adopted practices mandated by the regulations and established its procedures and systems in order to remain always compliant.

### 1. Board of Directors

#### Size, Composition and Attendance

- i. As on March 31, 2015, the total strength of the Board is eight Directors comprising three executive Directors and five non-executive Directors, of which

three are independent. The Chairman of the Board is a Non-executive Non-independent Director.

- ii. During the year ended March 31, 2015, thirteen Board Meetings were held on the following dates : (i) May 10, 2014 (ii) May 27, 2014 (iii) June 19, 2014 (iv) July 7, 2014 (v) July 29, 2014 (vi) September 30, 2014 (vii) October 17, 2014 (viii) November 20, 2014 (ix) January 16, 2015 (x) January 28, 2015 (xi) February 5, 2015 (xii) February 23, 2015 and (xiii) March 25, 2015.
- iii. None of the Directors on the Board is a member on more than ten Committees and Chairman of more than five Committees across all the public companies in which he / she is a Director.
- iv. None of the Directors serves as an Independent Director in more than seven listed companies. None of the Executive Directors serves as an Independent Director in more than three listed companies.
- v. None of the Independent Directors have any material pecuniary relationship or transactions with the Company.
- vi. The following table gives details for the financial year 2014-15 of Directorship, Category, attendance at Board Meetings and at the last Annual General Meeting and number of memberships of Board / Committees of various other public companies :

Name	Category of Directorship	DIN	Particulars of Attendance		*Number of Directorship(s) held in Indian public limited companies (excluding Prism Cement Limited)	**Committee(s) position (excluding Prism Cement Limited)	
			Board Meeting	Last AGM		Member	Chairman
<b>Mr. Rajesh G. Kapadia</b> (Chairman)	Non-executive Non-independent	00003272	13	Yes	7	4	5
<b>Mr. Rajan B. Raheja</b>	Non-executive Non-independent	00037480	13	No	6	3	-
<b>Mr. Vijay Aggarwal</b> (Managing Director)	Executive Non-independent	00515412	11	Yes	3	2	1
<b>Mr. Ganesh Kaskar</b> (Executive Director - HRJ)	Executive Non-independent	00035637	10	Yes	-	-	-
<b>Mr. J. A. Brooks</b>	Non-executive Independent	00142045	3	Yes	-	-	-
<b>Ms. Ameeta A. Parpia</b>	Non-executive Independent	02654277	13	Yes	3	3	-
<b>Mr. V. M. Panicker</b> (Executive Director - RMC)	Executive Non-independent	02975912	11	Yes	-	-	-
<b>Mr. Shobhan Thakore \$</b>	Non-executive Independent	00031788	9	Yes	8	2	2
<b>Mr. Satish B. Raheja #</b>	Non-executive Non-independent	00288397	-	No	3	-	-
<b>Mr. Akshay R. Raheja #</b> (Alternate to Mr. Satish Raheja)	Non-executive Non-independent	00927801	1	No	3	-	-
<b>Mr. S. Ramnath ##</b> (Executive Director - Cement)	Executive Non-independent	00067019	9	Yes	-	-	-

\* Excludes directorships in private limited companies, foreign companies & companies under Section 8 of the Companies Act, 2013.

\*\* Only Audit Committee and Stakeholders Relationship Committee positions considered.

§ Appointed as Director by the Board w.e.f. June 19, 2014 and as Independent Director at the AGM held on July 31, 2014.

# Resigned w.e.f. May 27, 2014.

## Resigned w.e.f. February 5, 2015.

### Board Procedure

The Board meets at regular intervals to review, *inter alia*, the financial performance of the Company and on other matters requiring its decisions and directions. The tentative yearly calendar of the meetings is finalised before the beginning of the year. Additional meetings are held as and when necessary. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee meetings, which are generally held prior to the Board meetings.

The Board periodically reviews matters such as strategy and business plans, annual operating and capital expenditure budgets, adoption of quarterly/half-yearly/annual results, investors' grievances, borrowings and investments, issue of securities, compliance certificates, minutes of meetings of the Committees of Directors of the Board and the subsidiary companies including agenda suggested in Annexure 1A to Clause 49 of the Listing Agreement and to the extent applicable. A detailed operations report is also presented at every Board Meeting.

The agenda is circulated to the Board in advance and is backed by necessary supporting information and documents, to enable the Board to take informed decisions and in exceptional cases, additional items of agenda are tabled at the meeting. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

### Familiarisation of Independent Directors

The Company has formulated a policy to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. Presentations are regularly made to the Board Members covering, *inter alia*, business environmental scan, the business strategies, operations review, quarterly/half-yearly/annual results, budgets, review of internal audit reports, statutory compliances, risk management, operations of subsidiaries and associates, etc.

The details of familiarisation programme for Independent Directors have been disclosed on the website of the Company [www.prismcement.com/AboutUs/Policies](http://www.prismcement.com/AboutUs/Policies).

## Governance Codes

### a. Code of Conduct

The Board of Directors of the Company has laid down two separate Codes of Conduct - one for Directors and the other for Senior Management and Employees. These Codes are posted on the Company's website [www.prismcement.com](http://www.prismcement.com). All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

### b. Insider Trading Code

In compliance with the SEBI Regulations on prohibition of insider trading, the Company has adopted the following Codes :

- i. Code of Conduct for Prohibition of Insider Trading in Securities of Prism Cement Limited to regulate, monitor and report trading by Insiders, Designated Persons and such other persons to whom this Code is applicable.
- ii. Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code is uploaded on the website of the Company [www.prismcement.com/CoreValues/CodeofConduct](http://www.prismcement.com/CoreValues/CodeofConduct).

The Codes, *inter alia*, prohibit trading in the securities of the Company by Directors/employees/insiders while in possession of unpublished price sensitive information in relation to the Company.

All Board Members and the employees have confirmed compliance with the Code.

### Independent Directors Meeting

During the year under review, a meeting of the Independent Directors of the Company was held on February 5, 2015, *inter alia*, to discuss the following :

- Evaluation of the performance of Non-independent Directors and the Board as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-executive Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by Ms. Ameeta A. Parpia and Mr. Shobhan M. Thakore.

## 2. Board Committees

The Board has constituted Committees to deal with specific areas and functions which concern the Company and require closer review. The constitution of the Committees, fixing of terms of reference, appointment of members, etc.,

are determined by the Board. Recommendations of these Committees are submitted to the Board for approval. These Committees meet from time to time and the minutes of their meetings are periodically placed for the review of the Board.

The Company Secretary acts as the Secretary to all the Committees.

The Board currently has the following Committees :

#### A. Audit Committee

The Audit Committee of the Company is constituted pursuant to the provisions of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges. As on March 31, 2015, the Audit Committee comprised of four Non-executive Directors of which three are independent. All the members have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Audit Committee has met seven times during the year ended March 31, 2015 on (i) May 27, 2014, (ii) July 29, 2014, (iii) September 30, 2014, (iv) October 17, 2014, (v) February 5, 2015, (vi) February 23, 2015 and (vii) March 25, 2015 and the details of attendance by the Committee Members are as follows :

Name of Director	Category	No. of Audit Committee Meetings attended
Ms. Ameeta A. Parpia (appointed Chairperson w.e.f. May 10, 2014)	Non-executive Independent	7
Mr. Rajesh G. Kapadia (was Chairman upto May 9, 2014)	Non-executive Non-independent	7
Mr. J. A. Brooks * <sup>1</sup>	Non-executive Independent	3
Mr. Shobhan Thakore * <sup>2</sup>	Non-executive Independent	4
Mr. Satish B. Raheja **	Non-executive Non-independent	-
Mr. Akshay R. Raheja ** (Alternate to Mr. Satish Raheja)	Non-executive Non-independent	-

\* Appointed w.e.f. (1) May 10, 2014 & (2) July 29, 2014

\*\* Resigned w.e.f. May 27, 2014

The terms of reference of the Audit Committee cover the matters specified in Section 177 of the Companies Act, 2013 to include :

- The recommendation for appointment,

remuneration and terms of appointment of auditors of the Company.

- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Examination of the financial statements and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties;
- Evaluation of internal financial controls and risk management systems.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.

The terms of reference and powers of the Committee are also in accordance with the requirements of Clause 49 of the Listing Agreement and *inter alia* include :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to auditors for any other services rendered by them.
- Review of the internal control systems with the management, internal auditors and auditors.
- Review with the management the annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, disclosure of related party transactions, qualifications in the draft audit report, if any, compliance and other legal requirements concerning financial statements.
- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.
- Review Management Discussion and Analysis.
- Review the functioning of the Whistle Blower mechanism.
- Review and discuss with the Management the internal financial controls and risk management systems.
- Review transactions with related parties and grant

omnibus approval for transactions which are in the normal course of business and on an arm's length basis and to review and approve such transactions subject to the approval of the Board, where necessary.

- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate.
- Review financial statements and investment of unlisted subsidiary companies.
- Any other terms of reference as may be included from time to time.

The Committee has, during the year ended March 31, 2015, reviewed and complied with the responsibilities as laid down in the terms of reference stipulated by the Board and the applicable regulations.

The representative of the Auditors is invited to all the Audit Committee Meetings which have been attended by them. The representatives of the Internal Auditors and the Cost Auditors are invited for the Audit Committee Meetings at which their respective reports are placed. All the Audit Committee Meetings are generally attended by Senior Management Executives of the Company.

**B. Nomination & Remuneration Committee**

As on March 31, 2015, the Nomination & Remuneration Committee ("NRC") comprises of four non-executive members of the Board viz. Ms. Ameeta A. Parpia - Chairperson, Mr. Rajan B. Raheja, Mr. Rajesh G. Kapadia and Mr. J. A. Brooks.

The Terms of Reference are as per the Companies Act, 2013 and Clause 49 of the Listing Agreement and, *inter alia*, include the following :

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- Formulate and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees ensuring that 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, relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term

performance objectives appropriate to the working of the Company and its goals.

- Review the performance of the Board of Directors.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

During the year ended March 31, 2015, three meetings of the NRC were held on May 27, 2014, June 19, 2014 and October 17, 2014. The details of attendance by the Committee Members are as follows :

Name of Member	Category	No. of NRC Meetings attended
Ms. Ameeta A. Parpia	Non-executive Independent	3
Mr. Rajan B. Raheja	Non-executive Non-independent	3
Mr. Rajesh G. Kapadia	Non-executive Non-independent	3
Mr. J. A. Brooks	Non-executive Independent	2

**Performance Evaluation**

In accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement and the Policy framed by the Board for Performance Evaluation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors.

A structured questionnaire was prepared covering various aspects such as attendance at the meetings, participation and contribution, team work, discussions at the Board/Committee Meetings, understanding of the business of the Company, strategy and quality of decision making, etc. The Directors expressed their satisfaction with the evaluation process.

**Remuneration Policy**

The objective of the Remuneration Policy of the Company for members of the Board of Directors, Key Managerial Personnel (KMP), Senior Management and Employees is to focus on enhancing the value, to retain and motivate Employees and Directors for achieving the objectives of the Company and to place the Company in a leadership position.

The Policy is guided by a reward framework and set of

principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act, 2013 and criteria pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

**a. Criteria of making payments to Non-executive Directors**

The Non-executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee/General Body meetings and commission as under :

- (i) The Non-executive Directors are paid sitting fees for attending the Board and Audit Committee meetings as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Non-executive Directors are currently paid sitting fees of ₹ 50,000/- for attending every meeting of the Board (₹ 20,000/- upto July 7, 2014) and ₹ 40,000/- for attending every meeting of the Audit Committee (₹ 10,000/- upto July 7, 2014). For the year ended March 31, 2015, the Non-executive Directors were paid in aggregate, an amount of ₹ 28.70 lakhs as sitting fees as under :

Name of Member	₹ Lakhs
Mr. Rajesh G. Kapadia	7.80
Mr. Rajan B. Raheja	5.30
Mr. J. A. Brooks	2.10
Ms. Ameeta A. Parpia	7.80
Mr. Shobhan Thakore	5.50
Mr. Akshay Raheja*	0.20

\* Resigned w.e.f. May 27, 2014

- (ii) Apart from this, Non-executive Independent Directors (NEDs) are entitled to be paid commission not exceeding 1% of the net profits of the Company, with effect from April 1, 2014. The distribution of commission amongst the NEDs shall be approved by the Nomination & Remuneration Committee/Board. Due to inadequacy of profits, no commission was proposed to be paid to the Non-executive Directors for the year ended March 31, 2015.

**b. Executive Directors**

- The term of office and remuneration of Managing Director and Executive Directors are subject to the approval of the Nomination & Remuneration Committee/Board of Directors, shareholders and Central Government, as may be required and the limits laid down under the

Companies Act, 2013 and Schedule V thereto, from time to time.

- The remuneration for the Managing Director and Executive Directors is designed to remunerate them fairly and responsibly. The remuneration comprises of salary, perquisites and performance based incentive, wherever applicable, apart from retirement benefits such as Provident Fund, Superannuation, Gratuity, Leave encashment, etc., as per Rules of the Company and as may be mutually agreed to by the Managing Director/Executive Director(s) and the Nomination & Remuneration Committee/Board.
- While considering the appointment and remuneration of the Managing Director and Executive Directors, the Nomination & Remuneration Committee considers the industry benchmarks, merit and seniority of the person. The Nomination & Remuneration Committee also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.
- The tenure of the Managing Director and Executive Directors is for three years and can be terminated by either party by giving six months' notice in writing.
- The Company does not pay any sitting fees, severance fee and no stock option is granted to the Managing Director(s)/Executive Directors.

Details of the remuneration paid for the year ended March 31, 2015 are as under :

Name	Business relationship with the Company	Date of Appointment	Remuneration * paid during the year (₹ Crores)
Mr. Vijay Aggarwal	Managing Director	March 3, 2013	4.50
Mr. Ganesh Kaskar	Executive Director - HRJ	March 3, 2013	2.48
Mr. V. M. Panicker	Executive Director - RMC	August 25, 2013	1.27
Mr. S. Ramnath #	Executive Director - Cement	August 25, 2013	3.85

# Resigned w.e.f. February 5, 2015. Remuneration includes leave encashment & gratuity aggregating to ₹ 2.34 crores paid at the end of the tenure during the year.

\* Remuneration includes salary, allowances, performance incentive, contribution to provident

and superannuation funds, perquisites, etc. (wherever applicable).

**c. Senior Management Employees**

The Company while deciding the remuneration of the Senior Management employees takes into consideration, *inter alia*, the merit and seniority of the person, employment scenario and industry benchmarks.

The remuneration of the Senior Management employees is based on :

1. **A fixed base salary** – set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. **Perquisites** – in the form of house rent allowance/accommodation, reimbursement of medical expenses, insurance, conveyance, telephone, leave travel, etc., as may be mutually negotiated and as applicable as per Company Rules.
3. **Retirement benefits** – contribution to PF, superannuation, gratuity, etc., as may be applicable as per Company Rules.
4. **Motivation/Reward** – A performance appraisal is carried out annually and promotions/increments/rewards are decided based on the appraisal and recommendation of the concerned Executive Director, where applicable, as per Company Rules.

**d. Details of shares of the Company held by the Directors as on March 31, 2015 are as under :**

Name	No. of shares
Mr. Rajan B. Raheja	5,14,06,327
Ms. Ameeta A. Parpia	76,000

None of the other Directors hold any shares in the Company. None of the Independent Directors hold any convertible instruments in the Company.

**C. Stakeholders Relationship Committee**

As on March 31, 2015, the Stakeholders Relationship Committee comprises of Ms. Ameeta Parpia - Chairperson, Mr. Rajesh Kapadia and Mr. Vijay Aggarwal as the members of the Committee. The Terms of Reference include :

- Overseeing and reviewing all matters connected with the transfer of the Company’s securities.
- Consider, resolve and monitor redressal of investors’/shareholders’/securityholders’ grievances related to

transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend, etc.

- Overseeing the performance of the Company’s Registrar & Transfer Agent.
- Carry out any other function as is referred to by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

The Committee has met four times during the year ended March 31, 2015 on May 27, 2014, July 29, 2014, October 17, 2014 and February 5, 2015 and were attended by all the members.

The Board has designated Ms. Aneeta S. Kulkarni, Company Secretary, as Compliance Officer. During the year ended March 31, 2015, six complaints were received from shareholders, which were resolved satisfactorily. As on March 31, 2015, there were no pending investor complaints.

**D. Securities Allotment & Transfer Committee**

The Company’s securities are traded in the dematerialised form on the Stock Exchanges. The Committee is responsible, *inter alia*, for issue and allotment of securities, issue of duplicate/split/consolidated certificates, share transfer and related applications received from shareholders. As on March 31, 2015, the constitution of the Committee is as under :

Name	Designation
Mr. Vijay Aggarwal	Chairman
Mr. Ganesh Kaskar	Member
Mr. V. M. Panicker	Member

To expedite the process of share transfers in physical segment, officers of the Company have been authorised to approve share transfers and transmission(s) and review all other matters connected with the Company’s securities.

**E. Corporate Social Responsibility Committee**

The Board of Directors has constituted a Corporate Social Responsibility Committee with the following objectives :

- (i) To formulate and recommend a Corporate Social Responsibility (CSR) policy to the Board to recommend amount of expenditure to be incurred on CSR activities;
- (ii) To monitor the CSR policy of the Company from time to time;
- (iii) To institute a transparent monitoring mechanism

for implementation of the CSR projects or programs or activities undertaken by the Company.

Two meetings of the CSR Committee were held on May 27, 2014 and February 5, 2015. The composition of the CSR Committee and the details of attendance at the meetings are as under :

Name of Member	Designation	No. of meetings attended
Mr. Vijay Aggarwal	Chairman	2
Mr. Rajesh Kapadia	Member	2
Mr. Ganesh Kaskar	Member	2
Ms. Ameeta Parpia	Member & Independent Director	2
Mr. V. M. Panicker	Member	2
Mr. S. Ramnath*	Member	1

\* Resigned w.e.f. February 5, 2015.

#### F. Risk Management Committee

Risk management is integral to the Company and is controlled through awareness, training, discipline, commitment and prudent risk management strategies. The risk management framework is designed to assess, measure and control risks, including procedures for mitigating concerns, monitoring compliance with standards and reporting results to the appropriate operations and management groups.

The Board of Directors has constituted a Risk Management Committee with the following broad objectives :

- Assess and provide oversight to the management relating to the identification and evaluation of major strategic, operational, regulatory, information and external risks inherent in the business of the Company and the control processes with respect to such risks.
- Overseeing the risk management, compliance and control activities of the Company, including without limitation, the development and execution by management of strategies to mitigate risks.
- Overseeing the integrity of the Company's systems of operational controls regarding legal and regulatory compliance.
- Overseeing compliance with legal and regulatory requirements, including without limitation, with respect to the conduct of the Company's business; and

- Obtaining assurance from the Management that all known and expected risks are identified and mitigation steps are taken.

The composition of the Risk Management Committee as at March 31, 2015 and the details of attendance at the meeting of the Committee held on May 13, 2015 is as under :

Name	Designation	Attendance at the Meeting of the Risk Management Committee
Mr. Vijay Aggarwal	Chairman	√
Mr. Rajesh Kapadia	Member	√
Mr. Ganesh Kaskar	Member	√
Mr. V. M. Panicker	Member	√

#### 3. Whistle Blower Policy

The Company is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, honesty, integrity and ethical conduct. Accordingly, the Board has established a vigil mechanism by adopting a 'Whistle Blower Policy' for Employees and Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, if any.

The Whistle Blower Policy provides a mechanism for Directors and Employees of the Company to approach the Chairman of the Company/Chairperson of the Audit Committee of the Company. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Policy is posted on the website of the Company [www.primscement.com/AboutUs/Policies](http://www.primscement.com/AboutUs/Policies).

During the year under review, no employee was denied access to the Audit Committee.

#### 4. Subsidiary Company

All subsidiary companies are Board managed with their Boards exercising the duties and powers to manage such companies in the best interest of their stakeholders. The Company has formulated a policy for determining 'material' subsidiaries and the same is disclosed on the website of the Company [www.primscement.com/AboutUs/Policies](http://www.primscement.com/AboutUs/Policies). As on March 31, 2015, Raheja QBE General Insurance Company Limited (RQBE), is a material non-listed Indian subsidiary company in terms of Clause 49(V)(A) of the Listing Agreement.

Ms. Ameeta Parpia and Mr. Shobhan Thakore, Independent Directors of the Company, have been appointed as Independent Directors on the Board of RQBE.

The Board reviews the operations and performance of the subsidiary companies as under :

- (i) The minutes of the meetings of the Board of Directors of all subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangements entered into by the subsidiary companies.
- (ii) The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the subsidiary companies.

## 5. Related Party Transactions

The Board has approved a policy on materiality of related party transactions and dealing with related party transactions which has been uploaded on the Company's website [www.prismcement.com/AboutUs/Policies](http://www.prismcement.com/AboutUs/Policies).

The Company's major related party transactions are generally with its subsidiaries, joint ventures and associates to further the Company's interest. Attention of the members is drawn to the details of transactions in the Annexure 'C' forming part of the Directors' Report.

All other transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interests of the Company. Details of such related party transactions are given in Note No. 44 of the Standalone Financial Statements forming part of this Annual Report.

## 6. Disclosures

- 1) There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years relating to the above.
- 2) The Board of Directors has, at its meeting held on May 27, 2014, approved a Whistle Blower Policy for the Company which is available on the Company's website. No personnel has been denied access to the Audit Committee.

### 3) (i) Mandatory Requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreements with the Stock Exchanges.

### (ii) Non-mandatory Requirements

- a. Non-executive Chairman's Office : The Chairman's office is separate from that of the Managing Director and is maintained by the Chairman himself.
- b. The statutory annual financial statements of the Company are unqualified.

- c. The Company has appointed separate persons to the posts of Chairman and Managing Director/Executive Director.
- d. The Internal Auditors have access to the Audit Committee.

- 4) The Company has followed all relevant Accounting Standards prescribed under the Companies Act, 2013 and Rules thereunder and the guidelines issued by Securities Exchange Board of India while preparing Financial Statements.

## 7. CEO/CFO Certification

Pursuant to provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls for the year ended March 31, 2015.

## 8. Details of General Meetings and Resolutions passed at Annual General Meetings

The Annual General Meeting for the last three years was held on July 31, 2014, June 25, 2013 and June 26, 2012 respectively. All the three meetings were held at Taj Mahal Hotel, 4-1-999, King Koti Road, Abids, Hyderabad - 500 001. Three special resolutions were passed at the Annual General Meeting held on June 25, 2013 and four special resolutions were passed at the Annual General Meeting held on July 31, 2014.

The following resolutions were passed using Postal Ballot during the year ended March 31, 2015 :

- (i) To borrow in excess of the paid-up share capital and free reserves upto ₹ 2,500 crores pursuant to Section 180(1)(c) and 180(2) of the Companies Act, 2013.
- (ii) To create security for such borrowing pursuant to Section 180 (1)(a) of the Companies Act, 2013.
- (iii) To issue Non-convertible Debentures on a private placement basis upto an aggregate amount of ₹ 1,250 crores pursuant to Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (iv) To give/make inter-corporate loans and investments and to provide security pursuant to Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Ms. Savita Jyoti, Savita Jyoti Associates, Practicing Company Secretaries, Hyderabad was appointed as Scrutiniser for conducting the entire Postal Ballot process in a fair and transparent manner.

The Company had completed the despatch of the Postal Ballot Notice dated May 10, 2014 together with the Explanatory Statement on May 19, 2014, along with forms and postage

prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on May 10, 2014.

The voting under the Postal Ballot was kept open from May 20, 2014 to June 17, 2014 (either physically or through electronic mode).

The result of the Postal Ballot declared on June 20, 2014 was as under :

Item No.	Total no. of valid votes	Total no. of votes assenting the resolution	% of votes cast	Total no. of dissenting the resolution	% of votes cast
i.	420326490	420294243	99.99	32247	0.01
ii.	420313845	420278197	99.99	35648	0.01
iii.	420314106	420297551	100.00	16555	-
iv.	420252888	417983621	99.46	2269267	0.54

Three Special Resolutions are proposed to be passed at the ensuing Annual General Meeting with regard to Alteration of the Articles of Association, Reclassification of the Authorised Share Capital and consequent Alteration of the Memorandum of Association and to issue/offer Non-convertible Debentures on private placement basis. No Special Resolutions have been proposed to be passed through Postal Ballot.

## 9. Means of Communication

- The quarterly/half yearly/annual results of the Company are forwarded to the Bombay Stock Exchange Limited (BSE) and to the National Stock Exchange of India Limited (NSE) where the Company's shares are listed.
- The results are thereafter given by way of a Press Release to various news agencies/analysts and published in The Economic Times (All India-editions) and Sakshi (Hyderabad edition) and are displayed on the Company's website [www.prismcement.com/Investors/FinancialResults](http://www.prismcement.com/Investors/FinancialResults).
- The Company also informs by way of intimation to BSE

and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the investors.

- The quarterly/half-yearly/annual results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE and NSE are filed electronically on BSE's on-line portal and NSE's NEAPS portal.
- A separate dedicated section under 'Investors' on the Company's website gives information on unclaimed dividends, financial results, Annual Reports, quarterly compliance reports/communications with the Stock Exchanges and other relevant information of interest to the investors/public.

**10. The Management Discussion and Analysis** is a part of the Annual Report and is annexed separately.

## 11. Shareholders Information

### A. Annual General Meeting

**Date and Time** : September 8, 2015 at 9.30 a.m.

**Venue** : Taj Mahal Hotel,  
4-1-999, King Koti Road, Abids,  
Hyderabad - 500 001.

### B. Financial Calendar

#### - Reporting for the Quarter ending :

June 30, 2015	-	} Within 45 days from the close of the quarter
September 30, 2015	-	
December 31, 2015	-	

March 31, 2016	-	Within 60 days from the close of the financial year
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<b>Annual Meeting for the year 2016</b>	-	General	Within six months from the close of the financial year
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**C. Book Closure** : Tuesday, September 1, 2015 to Tuesday, September 8, 2015 (both days inclusive).

**D. Listing on Stock Exchanges**

The Company's equity shares are listed on the Bombay Stock Exchange Limited and on the National Stock Exchange of India Limited. The listing fees for the year 2015-16 have been paid to the aforesaid Stock Exchanges.

NAME OF THE STOCK EXCHANGE	STOCK CODE NO.	CODE ON SCREEN
Bombay Stock Exchange Limited (BSE)	500338	PRISM CEMENT LTD
National Stock Exchange of India Limited (NSE)		PRISMCEM

**E. Stock market price data for the year ended March 31, 2015 :**

MONTH	BSE SENSEX		BSE PRICES		NSE INDEX		NSE PRICES	
	High	Low	High ₹	Low ₹	High	Low	High ₹	Low ₹
Apr-2014	22939.31	22197.51	48.80	36.50	6869.85	6650.40	49.00	36.50
May-2014	25375.63	22277.04	62.10	45.45	7563.50	6638.55	62.30	45.20
Jun-2014	25725.12	24270.20	81.80	59.10	7683.20	7239.50	81.90	59.00
Jul-2014	26300.17	24892.00	76.50	65.80	7840.95	7422.15	77.00	65.00
Aug-2014	26674.38	25232.82	90.00	69.45	7968.25	7540.10	90.35	69.00
Sep-2014	27354.99	26220.49	82.20	65.25	8180.20	7841.80	82.30	65.30
Oct-2014	27894.32	25910.77	79.50	71.25	8330.75	7723.85	79.60	71.00
Nov-2014	28822.37	27739.56	81.00	73.30	8617.00	8290.25	81.30	73.05
Dec-2014	28809.64	26469.42	85.25	73.45	8626.95	7961.35	85.25	73.35
Jan-2015	29844.16	26776.12	108.75	76.80	8996.60	8065.45	108.70	76.80
Feb-2015	29522.86	29560.32	119.80	87.20	8941.10	8470.50	119.60	87.25
Mar-2015	30024.74	27248.45	132.50	92.55	9119.20	8269.15	132.95	92.50

**F. Registrar & Transfer Agent**

Karvy Computershare Private Limited,  
 Unit : Prism Cement Limited,  
 Karvy Selenium Tower B,  
 Plot 31-32, Gachibowli,  
 Financial District, Nanakramguda,  
 Hyderabad – 500 032.  
 e-mail : einward.ris@karvy.com  
 website : www.karvycomputershare.com  
 Tel. No. : +91 40 6716 1500/2222  
 Fax No. : +91 40 6716 1567/2300 1153  
 Toll Free No. : 1800 345 4001

**G. Share Transfer System**

Share transfers in physical form are processed and returned to the shareholders within the stipulated time. Half-yearly Transfer Audit and Quarterly Secretarial Audit in terms of the Listing Agreements are regularly carried out by an independent practicing Company Secretary.

Unclaimed and postal returned equity shares have been transferred to the Unclaimed Suspense Account of the Company and shall be transferred to the concerned shareholder upon making a claim to the Company's Registrar & Transfer Agent. Details of the account is as under :

Particulars	No. of shareholders	No. of shares
(i) Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year.	151	40,800
(ii) Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year.	Nil	Nil
(iii) Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	Nil	Nil
(iv) Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	151	40,800

## H. Distribution of shareholding and shareholding pattern as of March 31, 2015 :

### Distribution of Shareholding

No. of equity shares	No. of shareholders	No. of equity shares	% of Shareholding
1 - 100	47,587	39,88,753	0.79
101 - 200	17,723	34,29,365	0.68
201 - 300	6,189	17,91,748	0.36
301 - 400	2,585	10,11,301	0.20
401 - 500	5,524	27,48,197	0.55
501 - 1000	5,208	44,73,279	0.89
1001 - 5000	3,525	80,73,390	1.60
5001 - 10000	365	27,59,020	0.55
10001 - 50000	278	58,82,731	1.17
50001 and above	136	46,91,98,796	93.21
<b>Total</b>	<b>89,120</b>	<b>50,33,56,580</b>	<b>100.00</b>

### Shareholding Pattern

Category	No. of Shares	% Shareholding
Promoters	37,68,81,169	74.87
FIIIs/NRIs/OCBs	3,89,45,776	7.74
Bodies Corporate	80,87,817	1.61
Financial Institutions/ Banks/Mutual Funds	3,94,70,638	7.84
Indian Public	3,99,71,180	7.94
<b>Total</b>	<b>50,33,56,580</b>	<b>100.00</b>

## I. Dematerialisation of Shares

Trading of the Company's shares is compulsorily in dematerialised form for all investors. As of March 31, 2015 equity shares representing 98.61% have been dematerialised with the following depositories :

Description	ISIN	Depositories
Equity shares	INE010A01011	NSDL & CDSL

## J. Addresses

### Plant Location

The Company's cement manufacturing facilities are located at Satna, Madhya Pradesh and the cement packing plant is located at Allahabad, Uttar Pradesh. The tile manufacturing facilities are located at Pen, Maharashtra; Dewas, Madhya Pradesh; Kunigal, Karnataka and Karaikal, Puducherry. RMC Readymix (India) Division currently operates 81 readymix concrete plants and 8 aggregate crushers spread across 35 locations in the country.

### Correspondence

Shareholders' correspondence should be addressed to the Registrar & Transfer Agent at Hyderabad and also at einward.ris@karvy.com. Investors can also mail their queries to the Company at investor@prismcement.com for redressal.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

## K. Details of Debenture Trustees

### 1. IL&FS Trust Company Limited,

The IL&FS Financial Centre,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
**e-mail** : itccomplianceofficer@ilfsindia.com  
**website** : www.itclindia.com  
**Tel. No.** : + 91 22 2659 3297  
**Fax No.** : + 91 22 2653 3297

### 2. Axis Trustee Services Limited,

2<sup>nd</sup> Floor 'E', Axis House,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai - 400 025  
**e-mail** : debenturetrustee@axistrustee.com  
**website** : www.axistrustee.com  
**Tel. No.** : +91 22 2425 5215 / 5216  
**Fax No.** : +91 22 2425 4200

## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, we confirm that the Board Members and Senior Management of the Company have confirmed compliance with the Code of Conduct for the year ended March 31, 2015.

**For Prism Cement Limited**

**Vijay Aggarwal**

*Managing Director*

Place : Mumbai

Date : May 14, 2015

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## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Shareholders of  
Prism Cement Limited

We have examined the compliance of the conditions of Corporate Governance by Prism Cement Limited ('the Company') for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respects, complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

For **G. M. Kapadia & Co.**  
Chartered Accountants  
Firm Registration No.: 104767W

Place : Mumbai  
Date : May 14, 2015

**Atul Shah**  
Partner  
Membership No.: 39569

# DIRECTORS' REPORT

To the Shareholders,

The Directors present the Twenty-third Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2015.

## FINANCIAL RESULTS

Particulars	2014-15 ₹ Crores	2013-14 ₹ Crores
Sale of products and services	6,009.01	5,344.82
Other operating income	22.07	20.60
	6,031.08	5,365.42
Less : Excise duty	437.20	400.56
Total Revenue from operations	5,593.88	4,964.86
Other income	33.48	140.44
Total Revenue	5,627.36	5,105.30
Expenditure	5,700.23	5,242.50
Loss before exceptional items and tax	(72.87)	(137.20)
Exceptional items	62.12	9.37
Loss before Tax	(10.75)	(127.83)
Tax expenses	(25.45)	46.18
Profit/(Loss) for the year	14.70	(81.65)
Add : Surplus - opening balance	284.00	357.24
Amount available for appropriation	298.70	275.59
Add : Transfer from/(to) Debenture Redemption Reserve	11.75	8.41
Less : Adjustment relating to Schedule II	7.39	-
Surplus - closing balance	303.06	284.00

The amount of ₹ 303.06 crores is proposed to be retained in the Statement of Profit and Loss.

## DIVIDEND

In view of inadequate profits, the Directors have not recommended any dividend for the financial year ended March 31, 2015.

## OPERATIONS

The gross sales and other income for the year ended March 31, 2015 was ₹ 6,064.56 crores as against ₹ 5,505.86 crores for the previous year. The Company incurred a loss before tax of ₹ 10.75 crores and profit after tax of ₹ 14.70 crores during the year ended March 31, 2015 as against loss before tax of ₹ 127.83 crores and loss after tax of ₹ 81.65 crores during the year ended March 31, 2014.

For the year ended March 31, 2015, the consolidated profit after tax of the Company and its subsidiary companies amounted to ₹ 2.62 crores as against a loss after tax of ₹ 86.20 crores for the previous year.

## COAL BLOCK

Subsequent to the Order dated September 24, 2014 of the Honourable Supreme Court on de-allocation of all coal mines including Sial Ghogri coal mine of the Company in Madhya Pradesh with effect from March 31, 2015 and promulgation of the Coal Mines (Special Provisions) Ordinance, 2014 and Coal Mines (Special Provision) Rules, 2014 (the Rules), the Central Government has completed bidding process. The Nominated Authority appointed under the Rules has passed Vesting Order dated March 23, 2015 and as a result thereof, with effect from April 1, 2015, the coal mine including lands, in or adjacent to the coal mines and mine infrastructure got vested in favour of the successful bidder. In compliance of the Vesting Order, the Company has handed over possession of the mine and the assets listed in the Vesting Order to the successful bidder.

Vide email dated March 26, 2015, the Nominated Authority has communicated to the Company that a sum of ₹ 32.49 crores has been determined as compensation payable to the Company. The Company has inter-alia disputed quantum of compensation and has preferred a Writ before the Hon'ble High Court of Judicature, Delhi and the Company has lodged claim of ₹ 72.86 crores. The aggregate exposure of the Company on account of Coal Mine Development expenses, Mining Surface Rights, Land, Other infrastructure for mine, Capital work-in-progress relating to buildings under construction and other related matter is around ₹ 47.49 crores (including geological survey expenses written off in the books of accounts of ₹ 6.22 crores). Since the matter is sub-judice and pending settlement of the claim, no adjustment has been made in the accounts.

## SHARE CAPITAL

The paid-up Equity Share Capital was ₹ 503.36 Crores as on March 31, 2015. During the year under review, the Company has not issued shares with differential voting rights neither granted stock options nor sweat equity.

The Company does not propose to issue any preference shares in the future. It is, therefore, proposed to reclassify the existing unissued Preference Shares into Equity shares of the Company. Attention of members is drawn to Item No. 5 of the Notice of the Annual General Meeting.

## FINANCE

The Company has repaid loans of ₹ 1,087.42 crores during the year and tied-up fresh loans of ₹ 1,149.78 crores, including ₹ 750 crores by way of Secured Redeemable Non-convertible Debentures, to finance, *inter alia*, its ongoing long term working capital and capital expenditure during the year. The total borrowings of the Company stood at ₹ 1,896.58 crores as on March 31, 2015.

The loans were used for the purpose they were sanctioned for by the respective banks/financial institutions.

## FIXED DEPOSITS

The Company accepted fixed deposits aggregating to ₹ 13.46 crores during the year ended March 31, 2015. Out of the total 8,970 deposits of ₹ 37.14 crores from the public and the shareholders as at March 31, 2015, 426 deposits amounting to

₹ 1.28 crores had matured and had not been claimed as on that date. Since then, 72 of these deposits aggregating to ₹ 0.45 crores have been claimed.

There has been no default in the repayment of the deposits or payment of interest thereon during the year under review. All deposits accepted by the Company are in compliance with the requirement of the Companies Act, 2013 and the Rules thereunder.

#### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred a sum of ₹ 0.96 crores to the Investor Education and Protection Fund in compliance with provisions of the Companies Act, 2013 which represents unclaimed dividend and unclaimed fixed deposits and unclaimed interest on the fixed deposits.

#### SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

The performance and financial performance of each of the Company's subsidiaries, associate and joint venture companies included in the consolidated financial statements is presented below :

##### Subsidiaries

- **Raheja QBE General Insurance Company Limited (RQBE)**, the general insurance subsidiary continued building upon the existing capabilities as well as seizing profitable opportunities during the year under review. During the year, the Company has booked gross written premium of ₹ 29.03 crores as against ₹ 31.63 crores in the previous year. The net earned premium stood at ₹ 19.52 crores. The total income from investment for the year under review was ₹ 20.94 crores as against ₹ 19.88 crores in the previous year. RQBE's profit after tax increased to ₹ 10.67 crores from a profit after tax of ₹ 6.42 crores in the previous year.
- **Silica Ceramica Private Limited (Silica)** has shown gradual improvement in performance during the financial year. Silica has started utilising its full available capacity and has achieved substantial reduction of process losses resulting in increase in production of premium quality Tiles. Value added products in the form of 600x600 mm GVT were introduced during the financial year. With continuous availability of Natural Gas from ONGC during the last quarter of 2014-15, Silica has been able to achieve a profit of ₹ 8.84 crores before interest in the last quarter of financial year. The gross revenue from operations for the year under review was ₹ 248.14 crores (previous year : ₹ 198.36 crores) and the loss after tax was ₹ 32.77 crores (previous year : ₹ 24.69 crores).
- **H. & R. Johnson (India) TBK Limited**, the wholly-owned subsidiary of the Company in the field of tile, bath and kitchen retailing, has presence in the state/union territories of Maharashtra, Madhya Pradesh, Telangana, Andhra Pradesh, Delhi, Chandigarh, Punjab, Himachal Pradesh, Karnataka, Uttar Pradesh. The Company and its Joint Ventures have 28 showrooms of House of Johnson and 13 showrooms of Johnson Corners as at March 31, 2015. For the year ended March 31, 2015, gross revenue from operations was ₹ 139.76 crores (previous year : ₹ 142.17 crores) and loss after Tax was ₹ 3.57 crores (previous year : ₹ 1.32 crores).

- **Milano Bathroom Fittings Private Limited (Milano)**, the wholly-owned subsidiary of the Company manufacturing bathroom fittings and accessories, has performed well during the year. Improved capacity utilisation at its Samba Unit in Himachal Pradesh, improved product portfolio and cost efficient manufacturing has contributed to the growth of Milano. For the year ended March 31, 2015, gross revenue from operations was ₹ 44.67 crores (previous year : ₹ 40.44 crores) with profit after tax of ₹ 3.03 crores (previous year : ₹ 1.44 crores).
- **RMC Readymix Porselano (India) Limited** is a wholly-owned subsidiary of the Company and is yet to commence operations.
- **TBK Venkataramiah Tile Bath Kitchen Private Limited**, a wholly-owned subsidiary of H. & R. Johnson (India) TBK Limited, is in the field of tile, bath and kitchen retailing, The gross revenue from operations was ₹ 1.93 crores (previous year : ₹ 2.53 crores) and loss after tax was ₹ 0.28 crores (previous year : profit ₹ 0.06 crores)

##### Associate

- Prism Power and Infrastructure Private Limited is an associate of the Company and is yet to commence operations.

##### Joint Ventures (JV)

- **Ardex Endura (India) Private Limited (AEIPL)**, the joint venture with the German group Ardex, which manufactures and markets tile adhesives, grouts, flooring, waterproofing and allied products has performed satisfactorily during the year. For the year ended March 31, 2015, AEIPL achieved gross revenue from operations of ₹ 101.49 crores (previous year : ₹ 92.52 crores) and profit after tax of ₹ 4.11 crores (previous year : ₹ 4.14 crores). AEIPL is in the process of setting-up a new plant in West Bengal near Durgapur and project implementation activities commenced during the year.
- **Sentini Cermica Private Limited (Sentini)**, the mid-segment glazed floor tile JV Company in Andhra Pradesh, has performed satisfactorily during the year. With the implementation of the Coal Gassifier Plant and availability of CNG, Sentini has been able to achieve reduction in cost of production during the financial year. The production and sales of 600x600 mm Digital Floor Tiles have also contributed towards higher profitability. For the year ended March 31, 2015, Sentini achieved gross revenue from operations of ₹ 159.62 crores (previous year : ₹ 115.90 crores) and profit after tax of ₹ 3.54 crores (previous year loss after tax : ₹ 2.25 crores).
- **Antique Marbonite Private Limited**, the vitrified tile JV Company in Gujarat, has achieved gross revenue from operations of ₹ 288.86 crores (previous year : ₹ 261.05 crores) and profit after tax of ₹ 9.89 crores (previous year : ₹ 3.95 crores).
- **Spectrum Johnson Tiles Private Limited (Spectrum)**, the mid-segment wall tiles JV Company in Gujarat, has performed satisfactorily during the year. The increase in production and sales of 300x200 mm and 375x250 mm digital tiles have contributed towards increase in profitability during the financial year. For the year ended March 31, 2015,

Spectrum achieved gross revenue of ₹ 91.79 crores (previous year : ₹ 82.98 crores) and profit after tax of ₹ 5.20 crores (previous year : ₹ 2.37 crores).

- **Small Johnson Floor Tiles Private Limited (Small)**, the mid-segment floor tiles JV Company in Gujarat, has performed satisfactorily during the year. For the year ended March 31, 2015, Small achieved gross revenue from operations of ₹ 66.77 crores (previous year : ₹ 65.16 crores) and profit after tax of ₹ 2.24 crores (previous year : ₹ 2.21 crores).

### CONSOLIDATED FINANCIAL STATEMENT

The audited consolidated financial statements of the Company, its subsidiaries, joint ventures and associates prepared in accordance with the Companies Act, 2013 and the applicable Accounting Standards form part of this Annual Report.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC - 1 is attached to the Accounts.

The separate audited financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. The Company shall also provide a copy of the Annual Report and other related information of its subsidiary companies as required under Section 136 of the Companies Act, 2013 to the shareholders of the Company and the subsidiaries upon their written request. The separate audited financial statements in respect of each subsidiary company is also available on the website of the Company at [www.primcement.com/investors/FinancialResults](http://www.primcement.com/investors/FinancialResults)

### DIRECTORS

Mr. S. Ramnath resigned from the Board of Directors of the Company on February 4, 2015 due to personal reasons. The Board wishes to place on record its appreciation of the valuable contributions made by Mr. Ramnath during his tenure with the Company.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Rajesh Kapadia retires by rotation at the forthcoming Annual General Meeting of the Company and is eligible for re-appointment.

In accordance with the requirements of the Companies Act, 2013, the shareholders, at the 22<sup>nd</sup> Annual General Meeting of the Company held on July 31, 2014, have appointed the Independent Directors - Mr. J. A. Brooks, Ms. Ameeta A. Parpia and Mr. Shobhan M. Thakore for a term of five consecutive years upto July 30, 2019.

The Company has received declarations from Mr. Brooks, Ms. Parpia and Mr. Thakore, Independent Directors of the Company, confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The details of familiarisation programme for Independent Directors have been disclosed in the Report on Corporate Governance and on the website of the Company [www.primcement.com/AboutUs/Policies](http://www.primcement.com/AboutUs/Policies).

As required, the requisite details of the Director seeking re-appointment are included in this Annual Report.

### Meetings

The Board of Directors met thirteen times during the year ended March 31, 2015. Additionally, several Committee Meetings were held including the Audit Committee, which met seven times during the year. Details of the meetings are included in the Report on Corporate Governance.

### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation during the year under review. Details on the same is given in the Report on Corporate Governance.

### Remuneration Policy

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director and also remuneration for Key Managerial Personnel and other employees forms part of Report on Corporate Governance.

### KEY MANAGERIAL PERSONNEL

During the year under review, the Company has appointed the following persons as Key Managerial Personnel under the Companies Act, 2013 :

Sr. No.	Name of the person	Designation
1.	Mr. Vijay Aggarwal	Managing Director
2.	Mr. Ganesh Kaskar	Executive Director - HRJ
3.	Mr. V. M. Panicker	Executive Director - RMC
4.	Mr. S. Ramnath	Executive Director - Cement (resigned w.e.f February 5, 2015)
5.	Mr. P. K. Akhramka	Chief Financial Officer
6.	Ms. Aneeta S. Kulkarni	Company Secretary

### COMPOSITION OF AUDIT COMMITTEE

The Board has constituted an Audit Committee, details of the same is stated in the Report on Corporate Governance.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism by adopting a Whistle Blower Policy to report concerns about unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct, if any. The details of the Policy is explained in the Report on Corporate Governance and also posted on the website of the Company at [www.primcement.com/AboutUs/Policies](http://www.primcement.com/AboutUs/Policies).

### RISK MANAGEMENT

The Company works across a wide range of products i.e. Cement, Tiles, Bath and Kitchens products, Readymixed concrete. Several of the product lines have their own unique business and operating models. These businesses operate in an evolving and challenging business environment. The ability to create sustainable value is dependent on recognising and effectively addressing key risks that exist in this environment.

To facilitate this, each of the Company's businesses has adopted a robust risk management programme. The risk management programme does not aim at eliminating risks, as that would simultaneously eliminate all chances of rewards/opportunities. It is instead focused on ensuring that risks are known and being addressed proactively through a well-defined framework.

The Risk Management Policy framed by the Company details the objectives and principles of risk management along with an overview of the risk management process, procedures and related roles and responsibilities. The risk management process includes identifying types of risks and its assessment, risk handling and monitoring and reporting.

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set in the Report on Corporate Governance.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR is a conscious commitment of the Company to contribute to economic development while improving the quality of life of the underprivileged and their families as well as of the local community in the geographies in which the Company operates and the society at large.

The Company has adopted a CSR Policy based on which its future CSR initiatives shall be developed and implemented. The Company policy is focussed on CSR initiatives in areas such as water, health and sanitation, energy conservation, pollution-free atmosphere, clean technologies and primary health care for the villagers in the vicinity of the plants. The Policy is available on the Company's website at [www.prismcement.com/AboutUs/Policies](http://www.prismcement.com/AboutUs/Policies)

In view of the average net profits of the three preceding financial years being in the negative, the Company was not required to spend on CSR activities for the FY 2014-15. Requisite disclosure including composition of the CSR Committee has been made in the prescribed form annexed herewith as Annexure 'A'.

### LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Annexure 'B' annexed herewith.

### RELATED PARTY TRANSACTIONS

All Related Party Transactions are placed before the Audit Committee as also the Board, wherever required, for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval is placed before the Audit Committee for their review on a quarterly basis. The statement is supported by a Certificate from the Managing Director, Executive Directors and the Chief Financial Officer.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company at [www.prismcement.com/AboutUs/Policies](http://www.prismcement.com/AboutUs/Policies).

There are no material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Company has provided Corporate Guarantees to financiers of its subsidiary - Silica Ceramica Private Limited to facilitate fund raising. Details of the said transactions pursuant to sub-section (1) of Section 188 of the Companies Act, 2013 are given in the prescribed Form AOC - 2 annexed herewith as Annexure 'C'.

Attention of the members is drawn to the disclosure of related party transactions set out in Note No. 44 of the Standalone Financial Statements forming part of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors confirm :

- a. That in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the annual financial statements have been prepared on a going concern basis;
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### EMPLOYEE REMUNERATION

The ratio of remuneration of each Director to the median employees' remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as Annexure 'D'.

The information required under Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report and is available for inspection by the members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the statement may write to the Company's Registered Office at Hyderabad or to its Corporate Office at Mumbai.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is given in Annexure 'E' forming part of this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is presented in a separate section forming part of this Annual Report.

### CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance forms part of this Annual Report.

### INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has established set of standards, processes and structure which enables it to implement adequate internal financial controls and that the same are operating effectively. The Company has in place systematic measures such as reviews, checks and balances, methods and procedures to conduct its business in an orderly and efficient manner. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company towards ensuring management effectiveness and efficiency and reliable reporting. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### AUDITORS

The shareholders at the 22<sup>nd</sup> Annual General Meeting appointed M/s. G. M. Kapadia & Co., Chartered Accountants, Mumbai as the Company's Auditors upto conclusion of the 26<sup>th</sup> Annual General Meeting of the Company, subject to ratification of the appointment by the members at every AGM, to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said Section. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. As required under Clause 49 of the Listing Agreement, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by the Auditors on the financial statements of the Company are part of the Annual Report. There is no qualification,

reservation, adverse remark or disclaimer given by the Auditors in their Report.

### Secretarial Auditor

The Company has appointed M/s. Savita Jyoti Associates, Practising Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company for the year 2014-15 pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There were no qualification, reservation or adverse remarks given by Secretarial Auditors of the Company. The Report of the Secretarial Auditor is annexed herewith as Annexure 'F'.

### Cost Auditors

As per the requirements of the Companies Act, 2013, the Company's cost records for the year ended March 31, 2015 are being audited by M/s. N. I. Mehta & Co., Cost Accountants, Mumbai. The Board of Directors of the Company has, at its meeting held on May 14, 2015, appointed M/s. N. I. Mehta & Co. as the Cost Auditors for the year ending March 31, 2016.

### ANNUAL RETURN

The extract of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure 'G' attached to this Report.

### GENERAL

1. No significant and material orders were passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future.
2. The Company offers equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company has also framed a policy on Prevention of Sexual Harassment of Women at workplace. There were no cases reported during the year under review under the said Policy.
3. No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

### ACKNOWLEDGEMENTS

The Directors thank the shareholders, various Central and State Government departments/agencies, banks and other business associates for their valuable services and continued support during the year under review. The Board also takes this opportunity to express its sincere appreciation of the contribution and dedicated work of all the employees of the Company.

For and on behalf of the Board of Directors

**RAJESH G. KAPADIA**  
Chairman

Place : Mumbai

Date : May 14, 2015

# ANNEXURE 'A' TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON CSR ACTIVITIES

{Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014}

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

Since its inception, Prism Cement Limited ("Prism") has been socially responsible and has voluntarily undertaken various Corporate Social Responsibility initiatives even when there were no legal and statutory requirements in this regard.

In its commitment to CSR initiatives, the Company has been making available medical and education assistance to economically disadvantaged and socially weaker sections of the society. In addition, Prism independently carries out a variety of social initiatives in the areas of education, healthcare and environment where it actively involves its employees.

As part of Prism's focus on healthcare, vaccination camps, blood donation drives, general health and eye-check camps are regularly conducted for construction workers and their families and disadvantaged communities around its operational sites. Similarly, at certain locations close to the Company's operations, school book distributions are carried out for the Children of local residents. Apart from these awareness programmes on health, safety and hygiene are also carried out from time-to-time for labourers.

While CSR programmes may be identified by the CSR

Committee, it will also evaluate projects submitted directly by reputed not for profit organisations having an established track record of at least three years in carrying on the specific activity.

- 2. The composition of the CSR Committee.**

The composition of the CSR Committee is as under :

Mr. Vijay Aggarwal, Chairman

Mr. Rajesh Kapadia, Member

Mr. Ganesh Kaskar, Member

Ms. Ameeta Parpia, Member & Independent Director

Mr. V. M. Panicker, Member

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

The Company has not earned any profits during the last three financial years.

- 4. Prescribed CSR expenditure (two per cent of the amount as in item No. 3 above)**

In view of the average net profits of the three preceding financial years being in the negative, the Company was not required to spend on CSR activities for the FY 2014-15.

- 5. Details of CSR spent during the financial year :** Not Applicable

a. Total amount to be spent for the financial year;

b. Amount unspent, if any;

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

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads : (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency.
Not Applicable							

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

Not Applicable

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company shall be in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the Board

**VIJAY AGGARWAL**

Managing Director &

Chairman of the CSR Committee

Place : Mumbai

Date : May 14, 2015

## ANNEXURE 'B' TO THE DIRECTORS' REPORT

### Particulars of Loans, Guarantees or Investments made during the Financial Year 2014-15

Name of Entity	Relation	₹ Crores	Particulars of Loan, guarantee, investment	Purpose for which Loan, guarantee, investment are proposed to be utilised
Silica Ceramica Private Limited	Subsidiary	20.00	Investment	Business purpose
Silica Ceramica Private Limited	Subsidiary	80.00	Guarantee	Corporate Guarantee provided to Axis Finance Limited to facilitate fund raising
H. & R. Johnson (India) TBK Limited	Subsidiary	3.25	Loans	For Working capital and Business expansion

For and on behalf of the Board

**RAJESH G. KAPADIA**  
Chairman

Place : Mumbai  
Date : May 14, 2015

## ANNEXURE 'C' TO THE DIRECTORS' REPORT

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

I	Details of contracts or arrangements or transactions not at arm's length basis	
a	Name(s) of the related party and nature of relationship	Silica Ceramica Private Limited ('Silica') - a Subsidiary and Joint Venture Company.
b	Nature of contracts/ arrangements/transactions	Corporate Guarantee given to Axis Finance Limited as security for Term Loans sanctioned to Silica.
c	Duration of the contracts/ arrangements/transactions	Six years from the date of disbursement i.e from 02.03.2015.
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Corporate Guarantee given to Axis Finance Limited - ₹ 80 crores as security for due repayment of Term Loans availed by Silica.
e	Justification for entering into such contracts or arrangements or transactions	In the ordinary course and furtherance of the Company's business.
f	Date(s) of approval by the Board	February 5, 2015.
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	Enabling special resolution passed by the shareholders through Postal Ballot on June 20, 2014.
II	Details of material contracts or arrangements or transactions at arm's length basis	
	The Company has not entered into any material contracts or arrangements or transactions at arm's length basis with its related parties.	

For and on behalf of the Board

**RAJESH G. KAPADIA**  
Chairman

Place : Mumbai  
Date : May 14, 2015

## ANNEXURE 'D' TO THE DIRECTORS' REPORT

The ratio of remuneration of each Director to the median remuneration of the employee's and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

- The ratio of the remuneration of each director to the median remuneration of the employee's for the financial year :

Name	Designation	Ratio
Mr. Vijay Aggarwal	Managing Director	148x
Mr. Ganesh Kaskar	Executive Director - HRJ	84x
Mr. V. M. Panicker	Executive Director - RMC	41x
Mr. S. Ramnath*	Executive Director - Cement	57x

*Note : The Remuneration excludes retinals paid.*

*The Non-executive Directors have been paid sitting fees only and have not been considered for the purpose above.*

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year :

Name	Designation	Percentage increase
Mr. Vijay Aggarwal	Managing Director	10
Mr. Ganesh Kaskar	Executive Director - HRJ	7
Mr. V. M. Panicker	Executive Director - RMC	15
Mr. S. Ramnath*	Executive Director - Cement	18
Mr. Pramod Akhramka	Chief Financial Officer	N.A
Ms. Aneeta Kulkarni	Company Secretary	20

- Mr. V. M. Panicker and Mr. S. Ramnath were elevated as Executive Directors on August 25, 2013.
  - \* Mr. S. Ramnath resigned w.e.f February 5, 2015.
  - Mr. Pramod Akhramka joined the Company on March 20, 2014.
  - The Non-executive Directors have been paid sitting fees only and have not been considered for the purpose above.
- The percentage increase in the median remuneration of the employees in the financial year was around 10%.
  - The number of permanent employees on the rolls of the Company as on March 31, 2015 was 5496.
  - Relationship between average increase in remuneration and the Company performance :**

The criteria for increase in the remuneration, amongst other things, is related to the individual performance, the Company's performance, industry benchmarking, organisation building as a strategy and consideration towards cost of living

adjustment/inflation and such other factors more particularly described in the Policy for Remuneration to Directors, KMP and Employees which are stated in the Report on Corporate Governance.

### 6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company :

In line with the Remuneration Policy of the Company, remuneration paid to KMPs and other employees is decided on the factors stated in Point 5 above. During the year ended March 31, 2015, the Company earned a profit after tax of ₹ 14.70 crores against a loss after tax of ₹ 81.65 crores for the year ended March 31, 2014. For FY 2014-15, the key managerial personnel were paid ₹ 11.86 crores as against ₹ 8.46 crores for the previous year.

- The market capitalisation of the Company was ₹ 5,073.83 crores as of March 31, 2015 as compared to ₹ 1,920.31 crores as of March 31, 2014. The price to earnings ratio was 347.59x as of March 31, 2015 as compared to (22.99x) as of March 31, 2014. The closing share price of the Company at the Bombay Stock Exchange Limited on March 31, 2015 being ₹ 100.80 per equity share of the face value of ₹ 10/- each, has grown 10.1 times since the last public issue made in the year 1995 (Offer price was ₹ 10/- per equity share of the face value of ₹ 10/- each).
  - Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 0.15 whereas the increase in the managerial remuneration was 0.11. This increment is in line with the factors outlined in point no. 5 above.
  - The key parameters for any variable component of remuneration availed by the directors :**
- Variable compensation, wherever payable, is an integral part of the total reward package for the concerned Executive Directors, as per their terms of appointment. At the beginning of the year, key targets are being assigned to all the Executive Directors for the year in addition to their job fundamentals. Financial outcomes, various performance parameters including sales, market share, production, profitability, etc., of the Company vis-à-vis the Budgets are considered for the Variable Compensation Pay of the Executive Directors.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :** Not Applicable
  - It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

**RAJESH G. KAPADIA**  
Chairman

Place : Mumbai  
Date : May 14, 2015

# ANNEXURE 'E' TO THE DIRECTORS' REPORT

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

### (A) Conservation of energy

#### (i) The steps taken or impact on conservation of energy:

##### Cement Division

- Roller Press operation switched to Torque Control mode, improving throughput and reducing specific power.
- Statistical Process Control to optimise Raw Mix.
- Maximised TOD tariff benefit for off peak/peak hour operation of equipment, thus reducing demand from Grid during peak hours.
- Close monitoring of utilities and planned staggered run of equipment for reduction of plant Maximum Demand.
- Grid Contract Demand reduction to optimise Load Factor benefits and enabling Grid to supply this power where required.
- Balancing of air volume in Raw Mill circuit to optimise specific power consumption.

##### H & R Johnson (India) Division

##### • Savings in Electrical Energy

- Implementation of energy efficient compressor and compressed air pipeline re-designing in Karaikal plant.
- Reduction in ball milling hours by changing the grinding media in Kunigal plant.
- Introduction of timers controlled operation in stirrers.
- Installation of speed control devices for blower motors and stirrer motors to reduce energy consumption in Kunigal and Dewas plants.
- Installation of special type belt in blowers to improve transmission efficiency in Pen plant.
- Relocation of utility department to a bigger/cooler area to introduce "free cooling" of hydraulic oil.
- Removal of forced air drying of tiles in rectification line in Kunigal and Dewas plants.

##### • Savings in Thermal Energy

Preheating of combustion air in IHAG at Dewas and Kunigal plants by reutilising heat from chimney exhaust.

#### (ii) The steps taken by the Company for utilising alternate sources of energy :

##### Cement Division

- Replacement of existing conventional burner pipe of Unit-I kiln with advanced burner to suit pet coke firing.
- Use of dry leaves & wood as fuel in calciner.
- Use of solar power streetlights.
- Installation of Open Access power purchase metering equipment, to procure cheaper power as per availability.
- Established use of Vidyut - 51 and biodiesel in place of HSD during kiln light up.
- Installation of Open Access power purchase

metering equipment, to procure cheaper power as per availability.

##### H & R Johnson (India) Division

- Sourcing power from renewable sources for Dewas and Kunigal plant.

#### (iii) The capital investment on energy conservation equipments :

Total investment on energy conservation equipments is ₹ 4.50 crores during the year ended March 31, 2015.

### (B) Technology absorption

#### (i) The efforts made towards technology absorption :

- Development of New Product with innovative Raw Mix design.
- Operating strategy for equipment to restrict maximum demand.

#### (ii) The benefits derived like product improvement, cost reduction, product development or import substitution :

- Development of new product conforming to BIS norms, with better characteristics and improvement of clinker utilisation factor.
- Reduction of Grid demand side GHG emission, improvement in Specific Energy Consumption.
- Effort towards reduction in global warming and environmental protection by reducing energy consumption.
- Improvement in throughput and specific power consumption.
- Natural resource (limestone, coal) saving as well as cost savings.

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

- The details of technology imported : Unit - I kiln burner pipe for Pet Coke/AFR suitability.
- The year of import : 2014
- Whether the technology been fully absorbed : Yes
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

#### (iv) The expenditure incurred on Research and Development : ₹ 2.79 crores (Previous year : ₹ 2.56 crores)

### (C) Foreign Exchange Earnings and Outgo

₹ Crores

Particulars	2014-2015	2013-2014
Details of earnings in foreign currency : F.O.B Value of Export	56.05	42.48
Details of expenditure in foreign currency	1.99	1.49

For and on behalf of the Board

**RAJESH G. KAPADIA**  
Chairman

Place : Mumbai  
Date : May 14, 2015

# ANNEXURE 'F' TO THE DIRECTORS' REPORT

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2015

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

To,  
The Members,  
Prism Cement Limited

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

Based on our verification of the Companies' books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of :

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – Not Applicable;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not Applicable;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable.
- (vi) We have relied on certifications made by the officers of the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and the National Stock Exchange (India) Limited, if applicable.

We further report that :

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of Board Meetings called at shorter notice to transact urgent business, Independent Directors were present at the meeting. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

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

1. Issued Secured Redeemable Non-convertible debentures on private placement basis aggregating to ₹ 750 crores.
2. Redeemed Secured Redeemable Non-convertible debentures issued on private placement basis aggregating to ₹ 175 crores.

**Savita Jyoti Associates**

Company Secretaries

FCS No.:1796

CP No.:3738

Date : May 14, 2015

Place : Hyderabad

# ANNEXURE 'G' TO THE DIRECTORS' REPORT

## FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on March 31, 2015

[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	:	L26942AP1992PLC014033
ii.	Registration Date	:	March 26, 1992
iii.	Name of the Company	:	Prism Cement Limited
iv.	Category / Sub-Category of the Company	:	Public Limited Company
v.	Address of the Registered office and contact details	:	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad – 500 016. Phone : +91 40 23400218 ; Fax : +91 40 23402249 e-mail : investor@prismcement.com website : www.prismcement.com
vi.	Whether listed company Yes / No	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Karvy Computershare Private Limited Unit : Prism Cement Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Mr. Mohsin Uddin – Manager Tel : +91 40 67161500 (Ext. 1562) +91 40 67161562 / +91 40 67162222 Fax : +91 40 23001153

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and description of main products / services	NIC code of the product / services	% to total turnover of the Company
i.	Portland Cement	23942	39.34
ii.	Tiles	23939	39.13
iii.	Readymixed Concrete	23952	21.53
			<b>100.00</b>

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and Address of the Company	CIN	Holding subsidiary / associate	% of shares held	Applicable section
i.	Raheja QBE General Insurance Company Limited, Windsor House, 5 <sup>th</sup> Floor, CST Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India.	U66030MH2007PLC173129	Subsidiary	74%	2(87)
ii.	Silica Ceramica Private Limited, Narayanpuram, Unguturu Mandal, Narayanpuram, Andhra Pradesh - 534 407, India	U26933AP2006PTC051977	Subsidiary	99.28%	2(87)
iii.	H. & R. Johnson (India) TBK Limited, Windsor, 7 <sup>th</sup> Floor, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India	U45200MH1996PLC101892	Subsidiary	100%	2(87)

Sr. No.	Name and Address of the Company	CIN	Holding subsidiary / associate	% of shares held	Applicable section
iv.	Milano Bathroom Fittings Private Limited, 257/3, Village Sarangpur, Chandigarh, Chandigarh - 160 014, India	U28994CH2000PTC023462	Subsidiary	100%	2(87)
v.	RMC Readymix Porselano (India) Limited, Windsor, 7 <sup>th</sup> Floor, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India	U14103MH2006PLC160848	Subsidiary	100%	2(87)
vi.	TBK Venkataramiah Tile Bath Kitchen Private Limited, No. 56, A, Ramamurthy Nagar, Main Road, Dodda Banaswadi, Opp. New Baldwin Residential School, Bangalore, Karnataka - 560043, India	U26900KA2010PTC056306	Step-down Subsidiary	100%	2(87)
vii.	Ardex Endura (India) Private Limited, Unit No.406 & 407, "Brigade Rubix", No.20, HMT Campus, Yeshwanthapur, Hobli, Bangalore - 560 013, Karnataka, India	U24233KA1997PTC022383	Joint Venture	50%	2(6)
viii.	Sentini Cermica Private Limited, Plot No. 1229, Road No. 60, Jubileehills, Hyderabad, Telangana - 500 033, India	U26914TG2002PTC038347	Joint Venture	50%	2(6)
ix.	Antique Marbonite Private Limited, 746/2, Paikee Lakhdirpur Road, Taluka Morbi, District Rajkot, Gujarat - 363 642, India	U24221GJ2003PTC042679	Joint Venture	50%	2(6)
x.	Spectrum Johnson Tiles Private Limited, Survey No. 242, 8-A National Highway, At Dhuva, Taluka Wankaner, Dhuva, Gujarat - 363 621, India	U26933GJ2006PTC049055	Joint Venture	50%	2(6)
xi.	Small Johnson Floor Tiles Private Limited, Survey No. 778, Paikee of Guntu, B/H GSPC Gas Terminal, Lakhdirpur Road, Lakhdirpur, Taluka Morbi, Morbi - 363 642, Gujarat, India	U26933GJ2011PTC067661	Joint Venture	50%	2(6)
xii.	Prism Power and Infrastructure Private Limited, 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016, Telangana, India.	U40109TG2006PTC049084	Associate	49%	2(6)

**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity) :**

**(i) Category-wise Share Holding :**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	6,82,50,423	-	6,82,50,423	13.56	6,82,50,423	-	6,82,50,423	13.56	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	30,86,30,246	-	30,86,30,246	61.31	30,86,30,246	-	30,86,30,246	61.31	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any others	-	-	-	-	-	-	-	-	-
<b>Sub-total A (1) :</b>	<b>37,68,80,669</b>	<b>-</b>	<b>37,68,80,669</b>	<b>74.87</b>	<b>37,68,80,669</b>	<b>-</b>	<b>37,68,80,669</b>	<b>74.87</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs Individuals	500	-	500	-	500	-	500	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any others	-	-	-	-	-	-	-	-	-
<b>Sub-total A (2) :</b>	<b>500</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>37,68,81,169</b>	<b>-</b>	<b>37,68,81,169</b>	<b>74.87</b>	<b>37,68,81,169</b>	<b>-</b>	<b>37,68,81,169</b>	<b>74.87</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	1,84,51,606	1,93,600	1,86,45,206	3.70	3,91,88,269	1,92,600	3,93,80,869	7.82	4.12
b) Banks / FI	64,607	13,000	77,607	0.02	76,769	13,000	89,769	0.02	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	1,38,66,405	35,100	1,39,01,505	2.76	3,75,63,096	35,100	3,75,98,196	7.47	4.71
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total B (1) :</b>	<b>3,23,82,618</b>	<b>2,41,700</b>	<b>3,26,24,318</b>	<b>6.48</b>	<b>7,68,28,134</b>	<b>2,40,700</b>	<b>7,70,68,834</b>	<b>15.31</b>	<b>8.83</b>
<b>2. Non-institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	2,39,57,045	1,25,600	2,40,82,645	4.78	79,64,817	1,23,000	80,87,817	1.61	-3.18
ii) Overseas	-	4,200	4,200	-	-	4,200	4,200	-	-
<b>b) Individuals</b>									
i) Individuals shareholders holding nominal share capital upto ₹1 lakh	2,54,39,356	65,08,061	3,19,47,417	6.35	1,99,69,518	62,41,491	2,62,11,009	5.21	-1.14
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakh	2,35,45,153	1,08,100	2,36,53,253	4.70	1,32,12,145	1,08,100	1,33,20,245	2.65	-2.05
iii) Others (specify) : NRI, Overseas Corporate Bodies, Clearing Members, Trusts & Qualified Foreign Investor	15,31,778	1,26,31,800	1,41,63,578	2.81	15,04,606	2,78,700	17,83,306	0.35	-2.46
<b>Sub-total B(2) :</b>	<b>7,44,73,332</b>	<b>1,93,77,761</b>	<b>9,38,51,093</b>	<b>18.65</b>	<b>4,26,51,086</b>	<b>67,55,491</b>	<b>4,94,06,577</b>	<b>9.82</b>	<b>-8.83</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2) :</b>	<b>10,68,55,950</b>	<b>1,96,19,461</b>	<b>12,64,75,411</b>	<b>25.13</b>	<b>11,94,79,220</b>	<b>69,96,191</b>	<b>12,64,75,411</b>	<b>25.13</b>	<b>-</b>
<b>C. Shares held by custodians for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C) :</b>	<b>48,37,37,119</b>	<b>1,96,19,461</b>	<b>50,33,56,580</b>	<b>100.00</b>	<b>49,63,60,389</b>	<b>69,96,191</b>	<b>50,33,56,580</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoters :**

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held 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.	Manali Investment & Finance Private Limited	6,78,17,992	13.47	-	6,78,17,992	13.47	-	-
2.	Hathway Investments Private Limited	6,41,13,400	12.74	-	6,41,13,400	12.74	-	-
3.	Coronet Investments Private Limited	5,79,49,394	11.51	-	5,79,49,394	11.51	-	-
4.	Rajan B. Raheja	5,14,02,627	10.21	-	5,14,06,327	10.21	-	-
5.	Bloomingdale Investment & Finance Private Limited	3,12,89,300	6.22	-	3,12,89,300	6.22	-	-
6.	Varahagiri Investments & Finance Private Limited	2,32,21,148	4.61	-	2,32,21,148	4.61	-	-
7.	Matsyagandha Investment and Finance Private Limited	2,31,11,412	4.59	-	2,31,11,412	4.59	-	-
	<b>Total</b>	<b>31,89,05,273</b>	<b>63.36</b>	<b>-</b>	<b>31,89,08,973</b>	<b>63.36</b>	<b>-</b>	<b>-</b>

**(iii) Change in Promoters' Shareholding (Please specify, if there in no change) :**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1.	At the beginning of the year	31,89,05,273	63.36	31,89,05,273	63.36
2.	Date 28.11.2014 (3,700 equity shares acquired by Mr. Rajan Raheja by way of transmission)	-	-	3,700	-
3.	At the end of the year	31,89,05,273	63.36	31,89,08,973	63.36

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

Sr. No.	Particulars	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1.	Prism Trust	At the beginning of the year	April 1, 2014	1,23,51,600	2.45	-	-
		Decrease	June 9, 2014	1,23,51,600	2.45	-	-
		At the end of the year	March 31, 2015	-	-	-	-
2.	HDFC Standard Life Insurance Company Limited	At the beginning of the year	April 1, 2014	91,38,421	1.82	42,52,696	0.84
		Increase	June 30, 2014	25,000	-	91,63,421	1.82
		Increase	July 18, 2014	22,840	-	91,86,261	1.83
		Increase	August 1, 2014	236	-	91,86,497	1.83
		Increase	October 24, 2014	21,198	-	92,07,695	1.83
		Decrease	November 14, 2014	37,664	0.01	91,70,031	1.82
		Decrease	December 5, 2014	12,70,889	0.25	78,99,142	1.57
		Decrease	December 12, 2014	2,68,978	0.05	76,30,164	1.52
		Increase	December 19, 2014	20	-	76,30,184	1.52
		Increase	December 31, 2014	36	-	76,30,220	1.52
		Increase	January 2, 2015	82	-	76,30,302	1.52
		Decrease	January 16, 2015	7,86,942	0.16	68,43,360	1.36
		Decrease	January 23, 2015	13,61,829	0.27	54,81,531	1.09
		Decrease	February 6, 2015	2,78,580	0.06	52,02,951	1.03
		Decrease	February 20, 2015	29,603	0.01	51,73,348	1.03
		Decrease	February 27, 2015	40,041	0.01	51,33,307	1.02
		Decrease	March 6, 2015	3,77,000	0.07	47,56,307	0.94
		Decrease	March 13, 2015	22,083	-	47,34,224	0.94
Decrease	March 20, 2015	4,81,528	0.10	42,52,696	0.84		
At the end of the year	March 31, 2015	-	-	42,52,696	0.84		
3	National Westminster Bank Plc as Trustee of The JU	At the beginning of the year	April 1, 2014	79,78,598	1.59	61,72,356	1.23
		Decrease	May 30, 2014	2,33,893	0.05	77,44,705	1.54
		Decrease	June 6, 2014	6,72,349	0.13	70,72,356	1.41
		Decrease	September 12, 2014	9,00,000	0.18	61,72,356	1.23
		At the end of the year	March 31, 2015	-	-	61,72,356	1.23
4	ICICI Prudential Discovery Fund	At the beginning of the year	April 1, 2014	62,15,431	1.23	68,15,431	1.35
		Increase	April 11, 2014	6,00,000	0.12	68,15,431	1.35
		At the end of the year	March 31, 2015	-	-	68,15,431	1.35
5.	Reema Business Services Pvt Ltd	At the beginning of the year	April 1, 2014	56,10,000	1.11	-	-
		Decrease	June 6, 2014	20,00,000	0.40	36,10,000	0.72
		Decrease	August 8, 2014	11,10,000	0.22	25,00,000	0.50
		Decrease	August 29, 2014	3,53,801	0.07	21,46,199	0.43
		Decrease	November 14, 2014	21,46,199	0.43	-	-
		At the end of the year	March 31, 2015	-	-	-	-

Sr. No.	Particulars	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
6.	Jupiter South Asia Investment Company Limited - SO	At the beginning of the year	April 1, 2014	38,91,386	0.77	30,00,000	0.60
		Decrease	May 30, 2014	1,14,163	0.02	37,77,223	0.75
		Decrease	June 6, 2014	3,27,651	0.07	34,49,572	0.69
		Decrease	September 12, 2014	6,00,000	0.12	28,49,572	0.57
		Increase	January 30, 2015	1,50,428	0.03	30,00,000	0.60
		At the end of the year	March 31, 2015	-	-	30,00,000	0.60
7.	Nemish S Shah	At the beginning of the year	April 1, 2014	30,75,000	0.61	-	-
		Decrease	November 28, 2014	25,75,000	0.51	5,00,000	0.10
		Decrease	December 12, 2014	5,00,000	0.10	-	-
		At the end of the year	March 31, 2015	-	-	-	-
8.	SBI Magnum Multiplier Plus Scheme 1993	At the beginning of the year	April 1, 2014	28,00,000	0.56	32,00,000	0.64
		Increase	June 6, 2014	1,23,779	0.02	29,23,779	0.58
		Increase	June 13, 2014	2,76,221	0.05	32,00,000	0.64
		At the end of the year	March 31, 2015	-	-	32,00,000	0.64
9.	Anuj Anantrai Sheth	At the beginning of the year	April 1, 2014	26,92,235	0.53	-	-
		Decrease	May 23, 2014	26,92,235	0.53	-	-
		At the end of the year	March 31, 2015	-	-	-	-
10.	Aadi Financial Advisors LLP	At the beginning of the year	April 1, 2014	20,60,319	0.41	-	-
		Decrease	May 30, 2014	1,69,876	0.03	18,90,443	0.38
		Decrease	June 13, 2014	3,00,000	0.06	15,90,443	0.32
		Decrease	August 8, 2014	15,90,443	0.32	-	-
		At the end of the year	March 31, 2015	-	-	-	-

Note : The above information is based on the weekly beneficiary position received from depositories.

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. Rajan Raheja				
a.	At the beginning of the year	5,14,02,627	10.21	5,14,02,627	10.21
b.	Date 28.11.2014 (3,700 equity share acquired by Mr. Rajan Raheja by way of transmission)	-	-	3,700	-
c.	At the end of the year	5,14,02,627	10.21	5,14,06,327	10.21
2.	Ms. Ameeta Parpia (No change during the year)	76,000	0.02	76,000	0.02

Note : Mr. Rajesh Kapadia, Mr. Vijay Aggarwal, Mr. Ganesh Kaskar, Mr. J. A. Brooks, Mr. V. M. Panicker, Mr. Shobhan Thakore, Mr. Pramod Kumar Akhramka and Ms. Aneeta Kulkarni did not hold any shares of the Company during the financial year 2014-15.

## V INDEBTEDNESS :

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

₹ Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year :</b>				
i. Principal Amount	1,597.49	196.16	40.58	1,834.23
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	1.26	0.92	1.12	3.30
<b>Total (i + ii + iii)</b>	<b>1,598.75</b>	<b>197.08</b>	<b>41.70</b>	<b>1,837.53</b>
<b>Change in Indebtedness during the financial year :</b>				
Addition	1,014.77	157.53	11.47	1,183.77
Reduction	912.63	160.52	14.27	1,087.42
Net change	102.14	-2.99	-2.80	96.35
<b>Indebtedness at the end of the financial year :</b>				
i. Principal Amount	1,665.81	193.64	37.14	1,896.58
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	35.09	0.45	1.76	37.30
<b>Total (i + ii + iii)</b>	<b>1,700.90</b>	<b>194.09</b>	<b>38.90</b>	<b>1,933.88</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

₹ Crores

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Vijay Aggarwal	Mr. Ganesh Kaskar	Mr. V. M. Panicker	Mr. S. Ramnath #	
1	<b>Gross salary :</b>					
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.50	2.03	1.05	3.50	11.08
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	*-	0.24	0.12	*-	0.36
	c. Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission :					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>4.50</b>	<b>2.26</b>	<b>1.17</b>	<b>3.50</b>	<b>11.44</b>
	Ceiling as per the Act	The remuneration is paid in accordance with MCA Circular 7/2015 dated April 10, 2015				

Notes : #Resigned with effect from February 5, 2015. Includes leave encashment and gratuity aggregating to ₹ 2.34 crores paid at the end of the tenure during the year.

\* Denotes amount less than ₹ 50,000/-

**B. Remuneration to other Directors :**

₹ Crores

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Rajan Raheja	Mr. Rajesh Kapadia	Mr. Satish Raheja	Mr. Akshay Raheja *	Mr. J. A. Brooks	Ms. Ameeta Parpia	Mr. Shobhan Thakore	
1	<b>Independent Directors :</b>								
	i. Fees for attending Board Committee Meetings	-	0.08	-	-	0.02	0.08	0.06	0.24
	ii. Commission	-	-	-	-	-	-	-	-
	iii. Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	<b>0.08</b>	-	-	<b>0.02</b>	<b>0.08</b>	<b>0.06</b>	<b>0.24</b>
2	<b>Other Non-executive Directors :</b>								
	i. Fees for attending Board Committee Meetings	0.05	-	-	#	-	-	-	0.05
	ii. Commission	-	-	-	-	-	-	-	-
	iii. Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	<b>0.05</b>	-	-	-	-	-	-	<b>0.05</b>
	<b>Total (B) = (1 + 2)</b>	<b>0.05</b>	<b>0.08</b>	-	-	<b>0.02</b>	<b>0.08</b>	<b>0.06</b>	<b>0.29</b>
	<b>Total Managerial Remuneration (A + B)</b>								<b>11.73</b>

Notes : # Denotes amount less than ₹ 50,000/-

\* Alternate to Mr. Satish Raheja upto May 27, 2014

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :**

₹ Crores

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Pramod Kumar Akhramka (CFO)	Ms. Aneeta S. Kulkarni (Company Secretary)	
1.	<b>Gross salary :</b>			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.05	0.49	1.54
	b. Value of perquisites U/s 17(2) of the Income-tax Act, 1961	-	-	-
	c. Profits in lieu of salary U/s 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission :			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>1.05</b>	<b>0.49</b>	<b>1.54</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :** None

For and on behalf of the Board

**RAJESH G. KAPADIA**  
ChairmanPlace : Mumbai  
Date : May 14, 2015

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF PRISM CEMENT LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **PRISM CEMENT LIMITED ('the Company')**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 34(a) to the financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 50(c) to the financial statements; and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **G. M. Kapadia & Co.**  
Chartered Accountants  
Firm's Registration No: 104767W

**Atul Shah**  
Partner

Mumbai  
Dated: May 14, 2015

Membership No: 39569

## Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The Company has formulated a programme of verification by which all fixed assets of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on verification conducted during the year as compared with the book records.
- (ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or parties covered in the register maintained under Section 189 of the Act.
- (iv) There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories and fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.
- (v) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 and other relevant provisions of the Act and the rules framed there under, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and in our opinion; prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2015, for a period of more than six months from the date they became payable.
- (b) The details of dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
Central Excise and Service Tax	2001-02 to 2011-12	Customs Excise & Service Tax Appellate Tribunal	14.72
	2006-07 to 2011-12	Central Excise Service Tax Appellate Tribunal	0.22
	2007-08 to 2013-14	Commissioner (Appeals)	10.16
	2008-09 to 2009-10	Assistant Commissioner (Appeals)	0.02
	2007-08 & 2013-14	Deputy Commissioner (Appeals)	0.01
	2008-09	Joint Commissioner (Appeals)	0.11
	2005-08	Customs, Excise and Service Tax Appellate Tribunal, Chennai	0.54
	2005-06	Commissioner (Appeals)	0.55
Sales Tax (Central & State)	2000-01 to 2005-06	The High Court, Chattisgarh	7.56
	2009-10 to 2010-11	The High Court, Madhya Pradesh	0.81
	2010-11 to 2012-13	Commissioner (Appeals), Delhi	0.26
	2008-09 to 2009-10	Joint Commissioner (Appeals), Maharashtra	0.68
	2009-10 to 2012-13	Additional Commissioner, Madhya Pradesh	1.46
	2010-11	Appellate Board, Madhya Pradesh	##
	2010-11	Assistant Commissioner, Madhya Pradesh	0.20

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
Sales Tax (Central & State)	2007-08 to 2009-10	Tribunal, Madhya Pradesh	0.18
	2010-12	Deputy Commissioner (Appeals), AP	0.09
	2009-10	Assistant Commissioner, Punjab	0.04
	2010-11 to 2012-13	Commissioner (appeals), Punjab	0.22
	2009-10	Deputy Commissioner (appeals), Rajasthan	0.03
	1999-05	Sales tax Appellate Tribunal, Hyderabad	0.40
	2005-07	Joint Commissioner of Sales Tax, Mumbai	0.34
	2007-09	Appellate Deputy commissioner, Chennai	0.36
	2008-09	District Industries Centre, Raipur	0.02
	2009-10	Appellate Deputy commissioner, Chennai	0.12
	2009-10	Additional Commissioner Commercial Taxes, -UP	0.13
	2009-10	Commercial Tax Officer, Goa	0.18
	2010-12	Additional Commissioner (Appeal), Hyderabad	0.01
Madhya Pradesh Commercial Tax Act, 1944	2012-13 to 2014-15	The High Court, Madhya Pradesh	12.2
Madhya Pradesh Entry Tax Act, 1976	2006-07 to 2014-15	The Supreme Court	55.24
	2010-11	Commercial Tax Appellate Board, Bhopal	0.65
Uttar Pradesh Entry Tax Act, 2003	2003-04 to 2009-10	The High Court, Uttar Pradesh	3.86
Uttar Pradesh Commercial Tax Act, 1956	1998-99	High Court, Uttar Pradesh	0.08
	1996-97 to 1997-98	Tribunal, Uttar Pradesh	0.05
West Bengal Sales Tax Act, 1954	2002-03 to 2004-05	Revision Authority	0.07
Energy Development Cess, 2001	2000-01 to 2005-06	The Supreme Court	11.9
Income Tax Act, 1961	2006-07 to 2011-12	Commissioner of Income Tax (Appeals)	4.36
MP Rural Infrastructure and Road Development Act, 2005	2007-08 to 2013-14	The Supreme Court	0.66
	2009-10 to 2012-13	The High Court, Madhya Pradesh	1.59
Royalty on Mining Minerals	2010-12	Director of Mines & Geology, Hyderabad	0.09

## denotes amount less than ₹ 50,000/-

- (c) According to the information and explanations given to us, the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within time.
- (viii) The Company does not have accumulated losses as at March 31, 2015 and has not incurred any cash losses during the current financial year or in the immediately preceding financial year.
- (ix) The Company has not defaulted in repayment of dues to any financial institutions, banks or debenture holders.
- (x) The Company has not given any guarantee for loans taken by others from banks or financial institution.
- (xi) The Company has raised term loans during the year which have been applied for the purpose for which they were raised.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

**For G. M. Kapadia & Co.**  
Chartered Accountants  
Firm's Registration No: 104767W

Mumbai  
Dated: May 14, 2015

**Atul Shah**  
Partner  
Membership No: 39569

# Balance Sheet as at March 31, 2015

Particulars	Note No.	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
a. Share Capital	2	503.36		503.36	
b. Reserves and Surplus	3	512.01	1,015.37	504.70	1,008.06
<b>2. Non-Current Liabilities</b>					
a. Long-term Borrowings	4	1,485.26		1,336.89	
b. Deferred Tax Liability (Net)	5	15.77		45.23	
c. Other Long-term Liabilities	6	145.77		116.72	
d. Long-term Provisions	7	35.42	1,682.22	31.42	1,530.26
<b>3. Current Liabilities</b>					
a. Short-term Borrowings	8	275.11		208.92	
b. Trade Payables	9	789.82		694.10	
c. Other Current Liabilities	10	563.84		689.73	
d. Short-term Provisions	11	16.35	1,645.12	9.09	1,601.84
<b>TOTAL</b>			<b>4,342.71</b>		<b>4,140.16</b>
<b>II. ASSETS</b>					
<b>1. Non-current Assets</b>					
a. Fixed Assets					
i. Tangible Assets	12	2,027.10		2,064.32	
ii. Intangible Assets	12	21.25		30.31	
iii. Capital Work-in-progress	36	68.80		62.63	
b. Non-current Investments	13	343.21		347.26	
c. Long-term Loans and Advances	14	210.47		177.33	
d. Other Non-current assets	15	59.84	2,730.67	57.17	2,739.02
<b>2. Current Assets</b>					
a. Inventories	16	578.48		462.18	
b. Trade Receivables	17	561.58		525.81	
c. Cash, Cash equivalent and Bank balances	18	79.70		52.46	
d. Short-term Loans and Advances	19	194.26		190.53	
e. Other Current Assets	20	198.02	1,612.04	170.16	1,401.14
<b>TOTAL</b>			<b>4,342.71</b>		<b>4,140.16</b>
<b>Significant Accounting Policies</b>	1				
<i>The Note numbers 1 to 51 forms integral part of the Financial Statements</i>					

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Date : May 14, 2015

Rajesh G. Kapadia  
Ameeta A. Parpia

Chairman  
Director

Vijay Aggarwal

Managing Director

Ganesh Kaskar  
Venugopal M. Panicker

Executive Director - HRJ  
Executive Director - RMC

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chief Financial Officer  
Company Secretary

## Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No.	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
<b>Revenue from Operations :</b>			
Sales of products and services		6,009.01	5,344.82
Other Operating Income	21	22.07	20.60
		<b>6,031.08</b>	5,365.42
Less: Excise Duty		437.20	400.56
<b>Total Revenue from Operations</b>		<b>5,593.88</b>	4,964.86
Other Income	22	33.48	140.44
<b>Total Revenue</b>		<b>5,627.36</b>	5,105.30
<b>Expenses :</b>			
- Cost of Materials consumed	23	1,344.76	1,243.30
- Purchase of Stock-in-trade	24	1,242.62	1,010.52
- Changes in inventories	25	(12.43)	(30.85)
- Manufacturing expenses	26	1,137.12	1,197.71
- Employees' benefit expenses	27	314.98	288.65
- Finance cost	28	253.64	241.50
- Depreciation and Amortisation expenses	12	136.84	176.59
- Other expenses	29	1,282.70	1,115.08
<b>Total Expenses</b>		<b>5,700.23</b>	5,242.50
<b>Profit / (Loss) Before Exceptional items and Tax</b>		<b>(72.87)</b>	(137.20)
Exceptional items	30	62.12	9.37
<b>Profit / (Loss) before Tax</b>		<b>(10.75)</b>	(127.83)
Tax Expenses			
- Current Tax	31	(0.20)	(0.20)
- Income Tax earlier years		-	(0.30)
- Deferred Tax	5	25.65	46.68
		25.45	46.18
<b>Profit / (Loss) for the year carried to Balance Sheet</b>		<b>14.70</b>	(81.65)
Earning per Equity Share (Face Value of ₹ 10/- each)			
Basic and Diluted (₹)	32	0.29	-1.66
<b>Significant Accounting Policies</b>	1		
<i>The Note numbers 1 to 51 forms integral part of the Financial Statements</i>			

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Date : May 14, 2015

Rajesh G. Kapadia  
Ameeta A. Parpia

Chairman  
Director

Vijay Aggarwal

Managing Director

Ganesh Kaskar  
Venugopal M. Panicker

Executive Director - HRJ  
Executive Director - RMC

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chief Financial Officer  
Company Secretary

## Cash Flow Statement for the year ended March 31, 2015

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>A. Cash Flow from Operating Activities</b>		
Profit / (Loss) before taxation as per Statement of Profit and Loss	(10.75)	(127.83)
<b>Adjustment for :</b>		
Depreciation & amortisation	136.84	176.59
Amortisation of Processing fees	14.67	12.25
Provision for Bad and Doubtful Debts	11.54	9.95
Loss on sale of assets (net)	2.76	0.61
Amalgamation expenses written back	–	(1.50)
Profit on sales of investments (net)	–	(8.05)
Interest income	(11.69)	(7.68)
Dividend income	(0.04)	(131.09)
Interest expenditure	238.97	229.24
(Gain) / Loss on exchange fluctuations	(2.47)	5.94
	390.58	286.26
<b>Operating Profit / (Loss) before working capital changes</b>	<b>379.83</b>	158.43
<b>Changes in Working Capital</b>		
Increase / (Decrease) in trade and other payables	122.84	(52.61)
(Increase) / Decrease in trade receivables	(47.65)	(66.52)
(Increase) / Decrease in inventories	(116.30)	5.23
(Increase) / Decrease in other receivables	(111.50)	(55.77)
	(152.61)	(169.67)
<b>Cash Generated from Operations</b>	<b>227.22</b>	(11.24)
Direct taxes Paid (net of refunds)	(2.64)	3.49
<b>Net cash generated from / used in operating activities (A)</b>	<b>229.86</b>	(14.73)
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets and additions in CWIP	(164.46)	(171.40)
Proceeds from sales of fixed assets	9.68	3.05
Purchase of investments	(20.00)	(33.15)
Sales proceeds from Investments	88.05	72.18
Interest received	11.67	7.68
Dividend income	0.04	131.09
<b>Net cash used in / generated from investing activities (B)</b>	<b>(75.02)</b>	9.45

## Cash Flow Statement (Contd.)

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>C. Cash flow from Financing Activities</b>		
Additions to Borrowings	1,014.20	1,104.83
Repayment of Borrowings	(947.89)	(858.36)
Interest paid	(204.96)	(232.98)
<b>Net cash used in / generated from financing activities (C)</b>	<b>(138.65)</b>	13.49
<b>Net increase in cash and cash equivalents during the year (A+B+C)</b>	<b>16.19</b>	8.21
<b>Cash and cash equivalents at the beginning of the year</b>	<b>40.44</b>	32.23
<b>Cash and cash equivalents at the end of the year</b>	<b>56.63</b>	40.44
Cash and cash equivalents comprises of :		
Cash on hand	0.53	0.58
Cheques on hand	4.42	14.91
Balance with Banks	51.68	24.95
<b>TOTAL</b>	<b>56.63</b>	40.44

Notes :

- Dividend from Subsidiary(s) / Joint Venture(s) has been treated as cash flow from operating activities
- Cash flow Statement has been prepared under the indirect method as set-out in AS - 3 on "Cash Flow Statements".
- Figures of the Previous year have been regrouped / reclassified / restated, wherever considered necessary.

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
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Pramod K. Akhramka  
Aneeta S. Kulkarni

Chief Financial Officer  
Company Secretary

# NOTES TO ACCOUNTS

## Corporate information

Prism Cement Limited, a Public Limited Company incorporated under the Companies Act, 1956, principally operates in three business segments: Cement, Tile, Bath and Kitchen (TBK) and Ready-mixed Concrete (RMC). The equity shares of the Company are listed on the Bombay Stock Exchange and National Stock Exchange.

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of Preparation

The financial statements of the Company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. In accordance with first proviso to section 129(1) of the Companies Act, 2013 and clause 6 of the General Instructions given in Schedule III to the Companies Act, 2013, the terms used in these financial statements are in accordance with the Accounting Standards as referred to herein.

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Company have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of financial statements.

### 1.2 Use of Estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences on account of revision of estimates, actual results and existing estimates are recognised in periods in which the results are known/materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

### 1.3 Revenue Recognition

#### Sale of goods

Sales are recognised on passing of risks and rewards attached to the goods. Sales include excise duty but do not include Value Added Tax (VAT) and Central Sales Tax (CST).

#### Income from services

Revenues from services are recognised as and when services are rendered on proportionate completion method. Income from services does not include Service Tax (ST).

#### Dividend Income

Dividend income is recognised for when the right to receive is established.

#### Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable on Yield To Maturity (YTM) basis.

### 1.4 Tangible Fixed Assets

Fixed assets are stated at cost less depreciation / amortisation and impairment loss, if any. The cost is inclusive of borrowing costs and incidental expenses incurred during construction period and is net off cenvat credit availed, discount and rebates.

Cost of acquisition of mining land is bifurcated into cost of land and cost of estimated mining reserves. Freehold and Leasehold Land includes mining land. Mines Development expenses comprise of mining infrastructure expenses and overburden removal cost.

Machinery spares, which are specific to particular machinery and whose use is expected to be irregular, are capitalised as Plant & Machinery. Gains and Losses arising from disposal of fixed assets and losses arising from retirement of fixed assets are recognised in the Statement of Profit and Loss.

### 1.5 Intangible assets

Intangible Assets are recognised only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

## 1.6 Depreciation and Amortisation

- i Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Companies Act, 2013, unless otherwise specified.
- ii Depreciable amount for assets is the cost of an asset less its estimated residual value.
- iii Depreciation on additions to / deductions from fixed assets is provided on pro-rata basis from / to the date of acquisition / disposal.
- iv Assets costing less than ₹ 10,000/- are fully depreciated in the year of acquisition.
- v Depreciation on foreign exchange differences on borrowings utilised for acquisition of assets is provided prospectively over the remaining life of the assets.
- vi In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under :

Assets	Cement	HRJ	RMC
Mobile Phones		1 - 3 years	
Motor Cars given to the employees as per the Company's Scheme or Vehicle used by Employees.		5 - 6 years	
Leasehold Land and Mining surface rights		Remaining period of the Lease	
Truck Mixers, Loaders, Excavators and Truck Dumpers	–	–	12.50%
Mines Development Expenses	5 years from the month of commencement of extraction of limestone / coal from that area	Over a period of extraction on the basis of Unit of Production Method	–
Intellectual property right	–	10.00%	–
Technical Know-how	–	14.29%	–
Leasehold improvements	Over the period of lease / rent agreement.		
Machinery spares	Over the useful life of the related assets	–	–
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any	–	–
Plant & Machinery-Concrete Pumps	–	–	6 years
The civil and other costs attributable to the plants / office on leased premises	–	–	Over the unexpired period of the lease
Amortization of mining reserve (included in Freehold / Leasehold Land) and Leasehold Land	Unit of Production Method	–	–

## 1.7 Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following :

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

## 1.8 Leases

Where the Company is lessee :

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

Charges paid under operating lease arrangements, where all the risks and benefits incidental to ownership are retained by the lessor, are charged to Statement of Profit and Loss.

## 1.9 Impairment of tangible and intangible assets

The carrying amounts of Tangible and Intangible assets are tested for impairment at each Balance Sheet date to determine if there is any indication of impairment, based on internal / external factors. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

## 1.10 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long - term investments are carried at cost. Diminution, if any, other than temporary, is provided for. Current investments are carried at lower of cost or fair value.

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

## 1.11 Inventories

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

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on a moving weighted average basis. Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on the Balance Sheet date.

Traded Goods are valued on moving weighted average cost.

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

## 1.12 Foreign Currency Transactions

### Initial Recognition

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of the transaction. The exchange differences arising on restatement or on settlement are recognised in the Statement of Profit and Loss.

### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

### Forward contracts

Forward contracts are entered into to hedge the foreign currency risk of the underlying outstanding at the Balance Sheet date. The premium or discount on such contracts is amortised as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognised as an income or expense for the period. The difference on account of exchange rate fluctuation is taken to Statement of Profit and Loss.

### **Synthetic Swap (under forward contracts)**

Outstanding forward / future contracts against firm commitments and derivative contracts, other than stated above, are marked to market and the resulting loss, if any, is charged to the Statement of Profit and Loss. Gain, if any, on such marked to market is not recognised unless it is reversal of loss recognised earlier.

### **Exchange Differences**

The Company has availed option provided under paragraph 46A of Accounting Standard 11: 'The Effects of Changes in Foreign Exchange Rates', vide Notification dated December 29, 2011 issued by MCA. Exchange differences arising on principal amount of borrowings are not considered as borrowing costs and treated as part of exchange difference. Consequently, the exchange differences on long-term foreign currency monetary items, are dealt with in the following manner:

- Foreign exchange differences on long term borrowings utilised for acquisition of depreciable asset is treated as an adjustment to the cost of depreciable asset and the same is depreciated over the balance useful life of the asset.
- Foreign exchange differences arising from other long term monetary items are accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of the said asset / liability.

### **1.13 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or production of qualifying assets are capitalised as the cost of the respective assets. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

### **1.14 Government Grants**

VAT subsidy from State Governments is recognised as a part of Sales under Revenue from Operations in the Statement of Profit and Loss on accrual basis i.e. when there is reasonable assurance that the conditions attached to them will be complied and subsidy will be received.

### **1.15 Employee Benefits**

Superannuation and ESIC are defined contribution plans. Provident Fund is treated as defined contribution plan. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Company, the management does not expect any material liability on account of interest shortfall to be borne by the Company. Gratuity benefits are treated as defined benefit plan. Gratuity obligation is worked out based on an actuarial valuation.

Employees are entitled to carry forward unutilised leave, the liability of which is arrived based on an actuarial valuation. Employees are also entitled to medical benefit for which premium is paid by Company.

The contribution made by the Company for Provident Fund, Superannuation and Medical Premium is charged to the Statement of Profit and Loss. Incremental liability for leave entitlement and Gratuity is charged to the Statement of Profit and Loss. Actuarial gains / losses are immediately recognised in Statement of Profit and Loss and are not deferred. The current / non current bifurcation of liabilities towards employee benefits is done as per Actuary Report.

### **1.16 Taxes on Income**

- (a) The Company provides current tax based on the provisions of the Income Tax Act, 1961 applicable to it.
- (b) Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognised on timing differences that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realization in future. The effect on deferred tax assets and liabilities of change in tax rates is recognised in the Statement of Profit and Loss in the period of enactment of the change.
- (c) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period.

### **1.17 Provision**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current estimates of the management.

### 1.18 Contingent Liabilities

- (a) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of :
- i a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - ii a possible obligation, unless the probability of outflow of resources is remote.
- (b) Contingent Assets are neither recognised nor disclosed.

### 1.19 Segment Reporting

The Company has identified primary segments based on the products and does not have any secondary segments. The primary segments identified are as follows :

- i Cement
- ii TBK (Tile, Bath and Kitchen)
- iii RMC (Readymixed Concrete)

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "Unallocated revenue / expenses / assets / liabilities".

However, segment information has been presented in the Consolidated Financial Statements as permitted by AS-17 on Segment Reporting.

### 1.20 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank, cash / cheques in hand, demand deposits with banks and other short-term investments with an original maturity of three months or less.

### 1.21 Earnings Per Share

- (a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, share split, etc., if any that have changed the number of equity shares outstanding, without a corresponding change in resources. In addition, weighted average number of equity shares are net of own shares held through Trust.
- (b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 1.22 Expenditure on New Projects

Expenditure (including borrowing costs) directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure (including borrowing costs) incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

### 1.23 Mines Restoration Expenditure

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses is incurred on an on going basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

## 2 Share Capital

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Authorised :</b>		
50,50,00,000 Equity shares of ₹ 10/- each (Previous year : 50,50,00,000 Equity shares of ₹ 10/- each)	505.00	505.00
2,00,00,000 Preference shares of ₹ 10/- each (Previous year : 2,00,00,000 Preference shares of ₹ 10/- each)	20.00	20.00
<b>TOTAL</b>	<b>525.00</b>	<b>525.00</b>
<b>Issued, Subscribed and Paid up :</b>		
50,33,56,580 Equity shares of ₹ 10/- each fully paid-up (Previous year : 50,33,56,580 Equity shares of ₹ 10/- each)	503.36	503.36
<b>TOTAL</b>	<b>503.36</b>	<b>503.36</b>

### Additional Informations :

#### (a) Reconciliation of number of equity shares outstanding

Particulars	As at 31-03-2015	As at 31-03-2014
At the beginning of the year	50,33,56,580	50,33,56,580
At the end of the year	50,33,56,580	50,33,56,580

#### (b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

- (c) Pursuant to scheme of amalgamation of erstwhile H. & R. Johnson (India) Limited and RMC Readymix (India) Private Limited with the Company during the year 2009-10, 1,23,51,600 equity shares of the Company were issued to Prism Trust for the benefit of the Company. These shares were sold during the year.

#### (d) Details of Shareholders holding more than 5% of the issued shares

Name of the Shareholders	As at 31-03-2015		As at 31-03-2014	
	Total shares held	As a % of total shares	Total shares held	As a % of total shares
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,02,627	10.21%
Bloomingdale Investment & Finance Private Limited	3,12,89,300	6.22%	3,12,89,300	6.22%

### 3 Reserves and Surplus

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Capital Redemption Reserve</b>	<b>10.75</b>	10.75
<b>Debenture Redemption Reserve</b>		
Opening Balance	<b>54.28</b>	62.69
Add / (Less) : Transferred (to) / from Statement of Profit and Loss	<b>(11.75)</b>	(8.41)
Closing Balance	<b>42.53</b>	54.28
<b>General Reserve</b>	<b>155.67</b>	155.67
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	<b>284.00</b>	357.24
Add : Net Profit / (Loss) for the current year	<b>14.70</b>	(81.65)
Less : Adjustment relating to transitional provision contained in Schedule II (Refer Note 35)	<b>7.39</b>	-
Add : Transferred from / (to) Debenture Redemption Reserve	<b>11.75</b>	8.41
Closing Balance	<b>303.06</b>	284.00
<b>TOTAL</b>	<b>512.01</b>	504.70

### 4 Long-term Borrowings

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Secured Debentures / Bonds :</b>		
- 9.30% Non-convertible Debentures (refer Sr. No. 9) { 35 Nos. (previous year : 70 Nos.) debentures of ₹ 1.00 crore each }	<b>35.00</b>	70.00
- 0.75% + SBI Base rate Non-convertible Debentures (refer Sr. No. 5) # { 1000 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>100.00</b>	-
- 11.00% Non-convertible Debentures (refer Sr. No. 4) # { 500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>50.00</b>	-
- 11.20% Non-convertible Debentures { - Nos. (previous year : 750 Nos.) debentures of ₹ 0.10 crore each }	-	75.00
- 11.25% Non-convertible Debentures (refer Sr. No. 8) { 1500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>150.00</b>	-
- 11.25% Non-convertible Debentures (refer Sr. No. 1) # { 1500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>150.00</b>	-
- Non-convertible Debentures (Zero Coupon with yield-to-maturity) (refer Sr. No. 3) # { 500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>50.00</b>	-
- 11.60% Non-convertible Debentures { - Nos. (previous year : 500 Nos.) debentures of ₹ 0.10 crore each }	-	50.00

#### 4. Long-term Borrowings (Contd.)

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
- 11.70% Non-convertible Debentures (refer Sr. No. 2) { 1000 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	100.00		-	
- 11.80% Non-convertible Debentures (refer Sr. No. 10) { 300 Nos. (previous year : 300 Nos.) debentures of ₹ 0.10 crore each }	30.00		30.00	
- 12.65% Non-convertible Debentures- Series A (refer Sr. No. 7) { 1000 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	100.00		-	
- 12.65% Non-convertible Debentures- Series B (refer Sr. No. 6) { 500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	50.00		-	
		815.00		225.00
<b>Secured Loans :</b>				
<b>Term Loan</b>				
- From Banks (refer Sr. No. 11 to 18 & 22)	648.75		877.77	
- From Bank (FCNR) (refer Sr. No. 20 & 23) #	99.91		-	
- From NBFC	-		65.38	
<b>Vehicle Loans</b>				
- From Banks (refer Sr. No. 19, 21 & 24)	2.30		1.17	
- From Others (refer Sr. No. 19)	0.20		1.54	
Buyer's Credit	-		7.10	
From others	-		250.00	
Sales Tax Deferral	-	751.16	0.66	1,203.62
<b>Unsecured Loans :</b>				
- Buyer's Credit from banks (refer Sr. No. 29)	1.91		23.23	
- Inter Corporate Deposits (refer Sr. No. 28)	0.17		0.79	
- 10.42% Non-convertible Debentures (refer Sr. No. 25) { 150 Nos. (previous year : 150 Nos.) debentures of ₹ 0.10 crore each }	15.00		15.00	
- 10.00% Non-convertible Debentures { - Nos. (previous year : 150 Nos.) debentures of ₹ 0.10 crore each }	-		15.00	
- Finance Lease obligation (refer Sr. No. 26)	1.09		2.09	
- Fixed Deposits from Public (refer Sr. No. 27)	37.14	55.31	140.58	196.69
		1,621.47		1,625.31
Less : Disclosed under other Current Liabilities				
- Current maturities of Long-Term Borrowings	134.79		287.52	
- Unclaimed Fixed Deposits	1.42		0.90	
		136.21		288.42
<b>TOTAL</b>		<b>1,485.26</b>		<b>1,336.89</b>

# creation of charge is in process

## 4. Long-term Borrowings (Contd.)

## Details of Loans

## A. Secured Debentures

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
1	Secured by first <i>pari passu</i> charge on all the movable and immovable fixed assets of the Cement Division, both present and future	150.00	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put / Call option at par on January 19, 2018; July 20, 2018; January 21, 2019; July 19, 2019
2	Secured by first <i>pari passu</i> charge on all the movable and immovable fixed assets of the Cement Division, both present and future	100.00	Allotted on November 26, 2014 and repayable on November 25, 2019 with Put / Call option at par on November 26, 2017 and November 26, 2018
3	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movables fixed assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	50.00	Allotted on January 21, 2015 and repayable on April 26, 2018 with Put / Call option at par on April 26, 2017
4	Secured by first <i>pari passu</i> charge on all the movable and immovable fixed assets of the Cement Division, both present and future	50.00	Allotted on February 03, 2015 and repayable on April 25, 2018
5	Secured by first <i>pari passu</i> charge on all the movable and immovable fixed assets of the Cement Division, both present and future	100.00	Allotted on February 20, 2015 and repayable on February 19, 2018 with Put / Call option at par on May 19, 2016; February 19, 2017; May 19, 2017; August 19, 2017; November 19, 2017
6	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movables fixed assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	50.00	Allotted on July 22, 2014 and repayable on July 22, 2017
7	Secured by first <i>pari passu</i> charge on all the movable and immovable fixed assets of the Cement Division, both present and future	100.00	Allotted on July 22, 2014 and repayable on July 22, 2017
8	Secured by first <i>pari passu</i> charge on all the movable and immovable fixed assets of the Cement Division, both present and future	150.00	Allotted on August 20, 2014 and ₹ 55 Crores repayable on April 24, 2017, ₹ 40 Crores repayable on April 28, 2016, ₹ 55 Crores repayable on June 21, 2017 with Put / Call option at par on June 21, 2016
9	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movable fixed assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	35.00	Allotted on August 18, 2010 and repayable on August 18, 2015
10	Secured by first <i>pari passu</i> charge on entire movable fixed assets of RMC Division excluding assets charged exclusively to other lenders	30.00	Allotted on July 15, 2011 and repayable on July 15, 2015
	<b>TOTAL</b>	<b>815.00</b>	

#### 4. Long-term Borrowings (Contd.)

##### B. Secured Loans

##### Term Loan from Banks and Others

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
11	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	33.75	Quarterly in equal installments payable over a period of four years including moratorium period from the date of facility availed on October 12, 2012
12	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	15.00	Quarterly in equal installments payable over a period of four years including moratorium period from the date of facility availed on October 12, 2012
13	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	87.50	Quarterly in equal installments payable over a period of five years including moratorium period from the date of facility availed on December 12, 2012
14	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	47.50	Quarterly in equal installments payable over a period of seven years including moratorium period from the date of facility availed on November 23, 2013
15	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	135.00	Quarterly in equal installments payable over a period of seven years including moratorium period from the date of facility availed on September 28, 2013
16	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	137.50	Quarterly in equal installments payable over a period of six years including moratorium period from the date of facility availed on November 01, 2013
17	Secured by first <i>pari passu</i> charge on movable and immovable fixed assets of the Cement Division, both present and future	100.00	Quarterly in equal installments payable over a period of four years commencing after moratorium period of two years from the date of facility availed on April 03, 2013
18	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7th Floor, Windsor Building & Subservient Charge on the movable fixed assets of HRJ Division	87.50	Quarterly installments payable over a period of Five years; ₹ 6.25 Crores each per quarter from November 14, 2014
19	Secured by exclusive charge on vehicles of HRJ Division together with all accessories & addition to or in the vehicles, whether present or future	2.35	EMI over a period of 60 months from the respective date of disbursement
20	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movable fixed assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	35.97	Quarterly installments payable over a period of three years; 8 equal Quarterly instalments from June 26, 2016
21	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division	0.04	EMI over a period of five years from December 31, 2011

## 4. Long-term Borrowings (Contd.)

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
22	Secured by first <i>pari passu</i> charge on entire movable fixed assets of RMC Division excluding assets charged exclusively to other lenders	5.00	Quarterly in equal installments payable over a period of three years from the date of facility availed on August 21, 2012
23	Secured by first <i>pari passu</i> charge on entire movable fixed assets of RMC Division excluding assets charged exclusively to other lenders	63.94	Quarterly in equal installments payable over a period of three years with one year moratorium from the date of facility availed on March 26, 2015
24	Secured by first charge on vehicles of Cement Division together with all accessories and addition to or in the vehicles, whether present or future	0.11	EMI over a period of five years from the respective date of disbursement
	<b>TOTAL</b>	<b>751.16</b>	

## C. Unsecured Loans

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
25	Non-convertible Debentures	15.00	Allotted on September 17, 2010 and repayable at the end of fifth year
26	Finance Lease obligation	1.09	Payable over a period of three year from May 2013
27	Fixed Deposits	37.14	Payable over a period of one to two years from the respective date of disbursement
28	Other - Inter Corporate Loan	0.17	Five years from April 1, 2011
29	Buyer's Credit	1.91	As per due dates of respective Buyer's Credit
	<b>TOTAL</b>	<b>55.31</b>	

## 5 The break-up of Net Deferred Tax Liability (DTL) is as follows :

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation as per Income Tax	182.80	149.58
Expenses provided but allowable in Income Tax on payment	20.32	18.77
Other timing differences	(5.52)	2.10
<b>TOTAL (A)</b>	<b>197.60</b>	170.45
<b>Deferred Tax Liability</b>		
Fixed Assets : Impact of difference between tax depreciation and depreciation provided	213.37	215.68
<b>TOTAL (B)</b>	<b>213.37</b>	215.68
<b>Net Deferred Tax Liability (B – A)</b>	<b>15.77</b>	45.23

## 6 Other Long Term Liabilities

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Security deposit from customers / others	142.45	114.07
Other liabilities	3.32	2.65
<b>TOTAL</b>	<b>145.77</b>	<b>116.72</b>

## 7 Long Term Provisions

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
For Employees' benefit	12.32	14.83
For Statutory dues & Others	23.10	16.59
<b>TOTAL</b>	<b>35.42</b>	<b>31.42</b>

## 8 Short Term Borrowings

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>Secured Loans :</b>				
<b>Loans repayable to banks</b>				
On Demand (refer Sr. No. 30 & 31)	61.85		157.47	
Buyer's Credit (refer Sr. No. 32 & 33)	37.79	99.64	11.40	168.87
<b>Unsecured Loans :</b>				
From Banks	75.47		40.05	
Commercial Papers { Maximum balance outstanding during the year ₹ 125 Crores (Previous year : ₹ Nil) }	100.00	175.47	-	40.05
<b>TOTAL</b>	<b>275.11</b>		<b>208.92</b>	

### Details of Secured Loans

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
30	Secured by first <i>pari passu</i> charge on the entire current assets both present and future of the Cement Division	15.43	On Demand
31	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts, both present and future of HRJ Division	46.42	Payable within One Year
32	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts, both present and future of HRJ Division	7.10	As per due dates of respective Buyer's Credit
33	Secured by subservient charge on all movable fixed assets of HRJ Division located at Pen, Kunigal and Dewas	30.69	As per due dates of respective Buyer's Credit
	<b>TOTAL</b>	<b>99.64</b>	

## 9 Trade Payables

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Dues to Micro, Small and Medium Enterprises (Due for 30 days or less)	0.10	0.03
Dues to Others	789.72	694.07
<b>TOTAL</b>	<b>789.82</b>	<b>694.10</b>

## 10 Other Current Liabilities

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Current maturities of long-term borrowings (refer Note 10(a) below)	134.79	287.52
Creditors for capital items	39.05	45.68
Advance from Customers	47.77	65.51
Interest accrued but not due	37.30	3.30
Unclaimed Dividends	2.78	3.76
Unclaimed matured deposits and interest accrued thereon (includes interest ₹ 0.38 Crores (Previous year : ₹ 0.24 Crores))	1.80	1.14
Other Employees' Benefit	10.77	11.30
Statutory Liabilities	36.46	43.08
Liability for expenses	252.40	227.94
Other Liabilities	0.72	0.50
<b>TOTAL</b>	<b>563.84</b>	<b>689.73</b>

## 10(a) Break-up of Current maturities of long-term borrowings

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Secured Loan :</b>		
Non-convertible Debentures	65.00	160.00
Term Loan	30.00	63.24
Vehicle Loan	0.86	1.11
Sales Tax Deferral	-	0.66
Buyer's Credit	-	7.10
<b>Unsecured Loan :</b>		
Non-convertible Debentures	15.00	15.00
Buyer's Credit	1.91	23.23
Fixed Deposits	22.02	55.41
<b>TOTAL</b>	<b>134.79</b>	<b>287.52</b>

## 11 Short term Provisions

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
For Employees' benefit	16.35	9.09
<b>TOTAL</b>	<b>16.35</b>	<b>9.09</b>

12 FIXED ASSETS

₹ Crores

DESCRIPTORS	GROSS BLOCK			DEPRECIATION AND AMORTISATION					NET BLOCK	
	Opening Block	Additions	Deductions	Closing Block	Opening Balance	Adjustments (refer note 35)	For the year	Deductions	Closing Balance	As at year end
<b>Tangible Assets :</b>										
Land - Freehold	2014-15 2013-14	377.53 279.05	57.58 98.48	- -	435.11 377.53	6.27 3.01	2.90 3.26	- -	9.17 6.27	425.94 371.26
- Leasehold	2014-15 2013-14	6.25 6.47	0.36 -	- 0.22	6.61 6.25	2.56 2.51	0.17 0.12	- 0.07	2.73 2.56	3.88 3.69
Buildings	2014-15 2013-14	283.90 274.49	7.19 10.24	4.90 0.83	286.19 283.90	95.97 84.87	11.94 11.93	4.11 0.83	107.30 95.97	178.89 187.93
Railway siding	2014-15 2013-14	16.27 13.30	- 2.97	- -	16.27 16.27	11.54 10.87	0.18 0.67	- -	12.85 11.54	3.42 4.73
Plant and Machinery	2014-15 2013-14	2,408.19 2,324.76	36.15 86.21	17.87 2.78	2,426.47 2,408.19	1,077.28 953.08	75.18 125.09	7.85 0.89	1,146.05 1,077.28	1,280.42 1,330.91
Plant and Machinery-Finance Lease	2014-15 2013-14	2.71 -	- 2.71	- -	2.71 2.71	0.18 -	0.10 0.18	- -	0.28 0.18	2.43 2.53
Mines Development	2014-15 2013-14	136.04 87.80	27.25 48.24	19.11 -	144.18 136.04	35.95 18.29	23.76 17.66	0.01 -	59.70 35.95	84.48 100.09
Furniture & Fixtures	2014-15 2013-14	49.48 47.91	1.84 1.74	0.14 0.17	51.18 49.48	27.51 25.17	4.88 2.44	0.09 0.10	33.63 27.51	17.55 21.97
Computers	2014-15 2013-14	24.45 23.16	2.84 1.51	0.28 0.22	27.01 24.45	19.05 17.14	2.60 2.04	0.20 0.13	22.52 19.05	4.49 5.40
Vehicles	2014-15 2013-14	17.98 18.35	4.08 2.94	2.71 3.31	19.35 17.98	7.66 7.27	2.90 2.14	1.26 1.75	9.35 7.66	10.00 10.32
Office Equipments	2014-15 2013-14	16.68 15.68	1.27 1.09	0.10 0.09	17.85 16.68	6.64 5.75	3.02 0.92	0.08 0.03	12.25 6.64	5.60 10.04
Truck Mixers, Loaders and Truck Dumpers	2014-15 2013-14	64.67 66.17	- -	1.76 1.50	62.91 64.67	49.22 44.23	5.40 6.49	1.71 1.50	52.91 49.22	10.00 15.45
<b>Total Tangible Assets</b>	2014-15 2013-14	3,404.15 3,157.14	138.56 256.13	46.87 9.12	3,495.84 3,404.15	1,339.83 1,172.19	133.03 172.94	15.31 5.30	1,468.74 1,339.83	2,027.10 2,064.32

**FIXED ASSETS (Contd.)**

₹ Crores

DESCRIPTORS	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	Opening Block	Additions	Deductions	Closing Block	Opening Balance	Adjustments (refer note 35)	For the year	Deductions	Closing Balance	As at year end
<b>Intangible Assets :</b>										
Software	18.91	2.98	-	21.89	11.42	0.01	1.65	-	13.08	8.81
2013-14	17.15	1.76	-	18.91	9.55	-	1.87	-	11.42	7.49
<b>2014-15</b>	<b>5.87</b>	<b>-</b>	<b>-</b>	<b>5.87</b>	<b>3.52</b>	<b>-</b>	<b>0.58</b>	<b>-</b>	<b>4.10</b>	<b>1.77</b>
Intellectual Property Rights	5.87	-	-	5.87	2.94	-	0.58	-	3.52	2.35
2013-14	5.87	-	-	5.87	2.94	-	0.58	-	3.52	2.35
<b>2014-15</b>	<b>19.60</b>	<b>-</b>	<b>8.16</b>	<b>11.44</b>	<b>2.80</b>	<b>-</b>	<b>0.67</b>	<b>0.28</b>	<b>3.19</b>	<b>8.25</b>
Mining Lease - Surface Rights	11.44	8.16	-	19.60	2.40	-	0.40	-	2.80	16.80
2013-14	11.44	8.16	-	19.60	2.40	-	0.40	-	2.80	16.80
<b>2014-15</b>	<b>6.55</b>	<b>-</b>	<b>-</b>	<b>6.55</b>	<b>3.05</b>	<b>-</b>	<b>1.22</b>	<b>-</b>	<b>4.27</b>	<b>2.28</b>
Minerals Procurement Rights	6.55	-	-	6.55	1.85	-	1.20	-	3.05	3.50
2013-14	6.55	-	-	6.55	1.85	-	1.20	-	3.05	3.50
<b>2014-15</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>0.23</b>	<b>0.06</b>	<b>-</b>	<b>0.03</b>	<b>-</b>	<b>0.09</b>	<b>0.14</b>
Technical Know-how	0.23	-	-	0.23	0.03	-	0.03	-	0.06	0.17
2013-14	0.23	-	-	0.23	0.03	-	0.03	-	0.06	0.17
<b>2014-15</b>	<b>51.16</b>	<b>2.98</b>	<b>8.16</b>	<b>45.98</b>	<b>20.85</b>	<b>0.01</b>	<b>4.15</b>	<b>0.28</b>	<b>24.73</b>	<b>21.25</b>
Total Intangible Assets	41.24	9.92	-	51.16	16.77	-	4.08	-	20.85	30.31
2013-14	41.24	9.92	-	51.16	16.77	-	4.08	-	20.85	30.31
<b>2014-15</b>	<b>3,455.31</b>	<b>141.54</b>	<b>55.03</b>	<b>3,541.82</b>	<b>1,360.68</b>	<b>11.20</b>	<b>137.18</b>	<b>15.59</b>	<b>1,493.47</b>	<b>2,048.35</b>
Total Fixed Assets	3,198.38	266.05	9.12	3,455.31	1,188.96	-	177.02	5.30	1,360.68	2,094.63
2013-14	3,198.38	266.05	9.12	3,455.31	1,188.96	-	177.02	5.30	1,360.68	2,094.63

Notes :

- Depreciation for the year includes ₹ 0.34 Crores (Previous year : ₹ 0.36 Crores) considered for capitalisation.
- Gross block of fixed assets includes dedicated electricity lines costing ₹ 26.61 Crores (Previous year : ₹ 26.61 Crores) the ownership of which is with Madhya Pradesh Poorv Kshetra Vitaran Company Limited.
- Gain of ₹ 0.26 Crores (Previous year Loss : ₹ 3.89 Crores) arising on account of exchange difference on long term foreign currency borrowings, utilised for purchase of fixed assets has been capitalised and included in "Additions".
- Freehold land of ₹ Nil (Previous year : ₹ 0.22 Crores) was classified earlier as leasehold land. The same was rectified during the previous year. Further, depreciation of ₹ Nil (Previous year : ₹ 0.07 Crores) was written back due to the said re-classification.
- Depreciation on Building and Plant & Machinery includes impairment loss of ₹ 0.59 Crores (Previous year : ₹ Nil) and ₹ 0.07 Crores (Previous year : ₹ Nil) respectively.
- Amortisation incase of Freehold Land represent amortisation of mining reserve on extraction basis.
- Remaining life of Intangible assets.

Assets	Remaining useful life of the Assets				Total
	0 - 5 Years	6 - 10 Years	22 - 27 Years	Total	
Software	1.37	7.44	-	8.81	
Intellectual Property Rights	1.77	-	-	1.77	
Mining Lease - Surface Rights	-	-	8.25	8.25	
Minerals Procurement Rights	2.28	-	-	2.28	
Technical Know-how	0.14	-	-	0.14	
<b>TOTAL</b>	<b>5.56</b>	<b>7.44</b>	<b>8.25</b>	<b>21.25</b>	

₹ Crores

### 13 Non-current Investments

Particulars	₹ Face Value	As at 31-03-2015			As at 31-03-2014		
		Holding	₹ Crores		Holding	₹ Crores	
<b>A. Long term-Trade Investments - Unquoted</b>							
<b>a. Investment in Equity Instruments</b>							
<b>i. Investments in Subsidiaries</b>							
- Raheja QBE General Insurance Company Limited	10	15,31,80,000	153.18		15,31,80,000	153.18	
- RMC Readymix Porcelano (India) Limited	10	50,000	0.05		50,000	0.05	
- H. & R. Johnson (India) TBK Limited	100	1,61,020	1.62		1,61,020	1.62	
- Silica Ceramica Private Limited *	10	86,22,500	117.69		36,22,500	97.69	
- Milano Bathroom Fittings Private Limited	100	72,446	6.73	279.27	72,446	6.73	259.27
<b>ii. Investments in Joint Ventures</b>							
- Ardex Endura (India) Private Limited	10	65,00,000	6.50		65,00,000	6.50	
- Sentini Cermica Private Limited *	10	23,00,000	11.50		23,00,000	11.50	
- Antique Marbonite Private Limited *	10	40,00,000	20.03		40,00,000	20.03	
- Small Johnson Floor Tiles Private Limited	10	20,00,000	10.00		20,00,000	10.00	
- Spectrum Johnson Tiles Private Limited	10	21,65,388	8.03	56.06	21,65,388	8.03	56.06
<b>iii. Investments in Associate</b>							
- Prism Power and Infrastructure Private Limited	10	4,900		#	4,900		#
<b>b. Investment in Preference Shares</b>							
<b>i. Investments in Subsidiaries</b>							
- Milano Bathroom Fittings Private Limited (1% Redeemable and Non-convertible Preference Shares)	100	3,87,500	3.88		3,87,500	3.88	
<b>ii. Investments in Joint Ventures</b>							
- Small Johnson Floor Tiles Private Limited (0.01% Optionally convertible non-cumulative Redeemable Preference Shares)	10	40,00,000	4.00		40,00,000	4.00	
<b>B. Long term-Other Investments</b>							
<b>a. Investment in Equity Instruments</b>							
- New India Co-op. Bank Limited (Unquoted)	10	-	-		2,500	#	
- North Kanara GSB Co-op. Bank Limited (Unquoted)	10	-	-		2,000	#	
- Investments in own shares through Prism Trust (Quoted)	10	-	-	-	1,23,51,600	24.05	24.05
<b>TOTAL</b>				<b>343.21</b>			<b>347.26</b>
Aggregate amount of quoted investments - Book value				-			24.05
Aggregate market value of quoted investments				-			47.12
Aggregate amount of unquoted investments				<b>343.21</b>			323.21

# Amount less than ₹ 50,000/-

\* Company has given Non Disposal Undertaking to certain banks for its investment in above subsidiary / joint ventures.

## 14 Long-term Loans and Advances

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>Considered Good unless otherwise stated</b>				
<b>Security Deposits</b>				
Unsecured	56.24		42.74	
Considered doubtful	0.22		0.20	
Less : Provision for doubtful deposits	0.22	56.24	0.20	42.74
<b>Capital Advances</b>				
Unsecured		64.71		32.45
<b>Loans and Advances to related parties</b>				
Unsecured, Considered Good		45.50		48.50
<b>Deposits with Statutory Authorities (net of provisions)</b>				
Excise / VAT / Service Tax / Custom Duty deposited under protest		4.70		6.10
<b>Other Loans and Advances</b>				
Unsecured	27.71		30.75	
Prepaid expenses	11.61	39.32	16.79	47.54
<b>TOTAL</b>		<b>210.47</b>		<b>177.33</b>

## 15 Other Non-current Assets

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Escrow balances with Banks		0.05		0.05
VAT Subsidy recoverable		59.35		56.35
Bank Deposits with more than twelve months maturity :				
Margin Money		0.42		0.59
Term Deposits (restricted use)		0.02		0.77
<b>TOTAL</b>		<b>59.84</b>		<b>57.17</b>

## 16 Inventories

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Raw Materials	84.23		84.05	
- Stock in transit	4.06	88.29	0.05	84.10
Fuel	130.05		55.37	
- Stock in transit	3.67	133.72	-	55.37
Stores and Spares	105.85		84.52	
- Stock in transit	-	105.85	-	84.52
Work-in-progress		32.32		73.32
Stock of traded goods	62.55		43.08	
- Stock in transit	5.41	67.96	8.29	51.37
Finished goods	138.79		107.90	
- Stock in transit	11.55	150.34	5.60	113.50
<b>TOTAL</b>		<b>578.48</b>		<b>462.18</b>

## 17 Trade Receivables

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>Secured - Considered Good :</b>				
Over six months due	2.21		2.43	
Others due	21.94	24.15	21.91	24.34
<b>Unsecured - Considered Good :</b>				
Over six months due	31.86		26.05	
Others due	505.57	537.43	475.42	501.47
<b>Unsecured - Considered Doubtful :</b>				
Over six months due	44.70		32.06	
Others due	3.06		4.35	
Less : Provision for doubtful debts	47.76	-	36.41	-
<b>TOTAL</b>		<b>561.58</b>		<b>525.81</b>

## 18 Cash, Cash Equivalent and Bank Balances

### 18.1 Cash and cash equivalents

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Cash in hand	0.53		0.58	
Cheques, drafts on hand	4.42		14.91	
Balances with banks in current accounts	44.21		24.05	
Term Deposits with banks (Original maturity of less than three months) (restricted use)	7.47		0.90	
<b>TOTAL (A)</b>		<b>56.63</b>		<b>40.44</b>

### 18.2 Other Bank Balances

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Margin money with banks (Maturity more than three months but less than twelve months)	10.60		8.26	
Unclaimed Dividend Accounts	2.78		3.76	
Term Deposits (restricted use) (Maturity more than three months but less than twelve months)	9.69		-	
<b>TOTAL (B)</b>		<b>23.07</b>		<b>12.02</b>
<b>TOTAL (A+B)</b>		<b>79.70</b>		<b>52.46</b>

**19 Short-term Loans and Advances**

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Considered good unless otherwise stated</b>		
Deposits	0.89	0.67
Income tax (net of provisions)	51.69	56.16
VAT / Service Tax recoverable	23.85	33.04
Prepaid Expenses	13.65	16.85
Custom Duty receivable	0.37	0.37
Balances with Excise and Customs	12.08	21.91
Others	91.73	61.53
<b>TOTAL</b>	<b>194.26</b>	<b>190.53</b>

**20 Other Current Assets**

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Insurance Claim receivable	65.14	67.12
VAT Subsidy recoverable	101.52	102.54
Balances related to Coal Mine & Infrastructure (refer note 33)	29.70	-
Others	1.66	0.50
<b>TOTAL</b>	<b>198.02</b>	<b>170.16</b>

**21 Other Operating Income**

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Sale of Scrap	6.00	7.24
Claims & Recoveries	6.54	3.48
Dividend from Joint Ventures and Subsidiaries *	0.04	0.04
Others	9.49	9.84
<b>TOTAL</b>	<b>22.07</b>	<b>20.60</b>

\* As the HRJ Division operates part of its business through its Subsidiaries / Joint Ventures, dividend income from the said investments is taken as operating income.

**22 Other Income**

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Interest income		
- Bank Fixed Deposits	1.89	1.01
- Others	9.80	6.67
Dividend income	-	131.05
Net gain / (loss) on sales of investments	-	0.18
Gain on Exchange fluctuations	2.47	-
Other non-operating income	19.32	1.53
<b>TOTAL</b>	<b>33.48</b>	<b>140.44</b>

### 23 Details of Cost of Materials consumed

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Limestone - Purchased	50.62	36.36
Clay, Sand and Minerals	257.48	259.73
Fly Ash	175.39	138.88
Cement (in RMC Division)	323.97	291.40
Aggregates and Crushed Rock	178.91	183.91
Packing Material	123.71	110.52
Others	234.68	222.50
<b>TOTAL</b>	<b>1,344.76</b>	<b>1,243.30</b>

### 24 Purchase of Stock-in-trade

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Tiles	1,107.18	890.13
Others	135.44	120.39
<b>TOTAL</b>	<b>1,242.62</b>	<b>1,010.52</b>

### 25 Change in inventories

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
<b>Closing Stock (including in Transit)</b>		
Finished Goods	150.34	113.50
Traded Goods	67.96	51.37
Work-in-progress	32.32	73.32
<b>Less : Opening Stock (including in Transit)</b>		
Finished Goods	113.50	117.98
Traded Goods	51.37	37.55
Work-in-progress	73.32	51.81
<b>TOTAL</b>	<b>12.43</b>	<b>30.85</b>

### 26 Manufacturing Expenses

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Stores and spares consumed	80.83	95.32
Power and Fuel consumed	764.27	808.01
Plant & Machinery hire charges	91.00	92.68
Repairs to Plant & Machinery	45.82	52.74
Royalty	36.23	32.41
Sub-contract charges	53.17	69.15
Plant upkeep expenses	30.67	25.77
Quarry expenses	20.25	12.42
Die & Punches	4.57	3.89
Adjustment of excise duty on stock	4.38	2.41
Other manufacturing expenses	5.93	2.91
<b>TOTAL</b>	<b>1,137.12</b>	<b>1,197.71</b>

**27 Employees' Benefit Expenses**

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Salaries, wages and bonus	275.46	251.49
Contribution to Provident and other funds	21.69	20.33
Welfare and other expenses	17.83	16.83
<b>TOTAL</b>	<b>314.98</b>	<b>288.65</b>

**28 Finance Cost**

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Interest expenses (refer Note 50(c))	238.49	228.87
Finance lease Interest	0.48	0.38
Amortisation of processing fees	14.67	12.25
<b>TOTAL</b>	<b>253.64</b>	<b>241.50</b>

**29 Other Expenses**

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Rent	26.62	20.62
Rates and taxes	28.52	32.49
Travelling and communication	48.36	44.64
Discounts, incentives and commission on sales	247.47	207.32
Advertisement, sales promotion and other marketing expenses	84.31	54.69
Research expenses *	2.79	2.56
Insurance	9.78	10.46
Freight outward	719.02	634.40
Loss on sale of assets	2.76	0.61
Provision for bad and doubtful debts / deposits	11.54	9.95
Add : Bad debts written off	2.04	2.73
Loss on exchange fluctuation	-	5.94
Concrete pumping expenses	15.85	15.32
Repairs to Buildings	3.85	3.64
Repairs others	6.65	5.99
Bank charges	4.86	5.50
Miscellaneous expenses	68.28	58.22
<b>TOTAL</b>	<b>1,282.70</b>	<b>1,115.08</b>
<i>* Research expenses comprises of :</i>		
Salaries & Wages	1.31	1.17
Travelling and Communication	0.28	0.21
Others	1.20	1.18
<b>TOTAL</b>	<b>2.79</b>	<b>2.56</b>

**30** Exceptional items comprises of the following :

Current Year :

- (a) Transfer fees and stamp duty paid for Land at Dewas ₹ 1.88 Crores (Previous year : ₹ Nil) as per direction of Hon'ble High Court of Madhya Pradesh.
- (b) Gain of ₹ 64 Crores (Previous year : ₹ Nil) on sale of 1,23,51,600 equity shares of the Company held through Prism Trust for the benefit of the Company.

Previous Year :

- (c) Exceptional items includes reversal of provision made for amalgamation expenses ₹ 1.50 Crores and exchange gain of ₹ 7.87 Crores realised on redemption of preference shares and liquidation of equity shares of one of its erstwhile wholly owned subsidiary.

**31** Provision for Current Tax includes Provision of Wealth Tax of ₹ 0.20 Crores (Previous year : ₹ 0.20 Crores).

**32** Computation of Earnings Per Share (EPS) is as under :

Particulars	2014 - 2015	2013 - 2014
Profit / (Loss) after Tax excluding dividend on own shares (₹ Crores)	14.70	(81.65)
Outstanding fully paid-up Equity shares	50,33,56,580	50,33,56,580
Weighted average number of equity shares outstanding (on sale of shares held through Trust- refer Note 30(b))	50,10,21,620	49,10,04,980
Earnings Per Share (₹) – Basic & Diluted (Face value ₹ 10/- per share)	0.29	-1.66

- 33** (a) Subsequent to the Order dated September 24, 2014 of the Hon'ble Supreme Court on de-allocation of all coal mines including Sial Ghogri coal mine of the Company in Madhya Pradesh with effect from March 31, 2015 and promulgation of the Coal Mines (Special Provisions) Ordinance 2014 and Coal Mines (Special Provision) Rules, 2014 (the Rules), the Central Government has completed bidding process. The Nominated Authority appointed under the Rules has passed Vesting Order dated March 23, 2015 and as a result thereof, with effect from April 01, 2015, the coal mine including lands, in or adjacent to the coal mines and mine infrastructure got vested in favour of the successful bidder. In compliance of the vesting order the Company has handed over possession of the mine and the assets listed in the vesting order to the successful bidder. Vide email dated March 26, 2015, the Nominated Authority has communicated to the Company that a sum of ₹ 32.49 Crores has been determined as compensation payable to the Company. The Company has inter-alia disputed the quantum of compensation and has preferred a writ before the Hon'ble High Court of Judicature, Delhi and the Company has lodged claim of ₹ 72.86 Crores. The aggregate exposure of the Company on account of Coal Mine Development expenses, Mining Surface Rights, Land, Other infrastructure for mine, Capital work in progress relating to buildings under construction and other related matter is around ₹ 47.49 Crores (including geological survey expenses written off in books of accounts of ₹ 6.22 Crores). Since the matter is sub-judice and pending settlement of the claim, no adjustment has been made in the accounts.
- (b) On cancellation of allocation of coal mine and on receipt of details of compensation from Nominated Authority and since the matter is pending before the Court, the Company has classified Coal Mine Development expenses ₹ 19.11 Crores, Mining Surface Rights ₹ 7.88 Crores (which were forming part of fixed assets of the Company), Capital work in progress relating to buildings under construction ₹ 2.71 Crores aggregating to ₹ 29.70 Crores as Receivable relating to Coal Block deallocation under Other Current Assets.
- (c) Other assets, comprising of assets that got vested in favour of the successful bidder on April 1, 2015 and other assets and pre operative expenditure for which claim has been lodged by the Company, having aggregate book value of ₹ 11.57 Crores, are continued to be shown as part of fixed assets.
- 34** (a) **Contingent liabilities :**
- (i) Guarantees given by the Company's bankers and counter guaranteed by the Company : ₹ 100.09 Crores (Previous year : ₹ 92.91 Crores)
  - (ii) Claims against the Company not acknowledged as debts on account of disputes: :
    - (a) In respect of exemption of Central Sales Tax on coal purchases ₹ 7.56 Crores (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company.
    - (b) Energy Development Cess ₹ 7.44 Crores (Previous year : ₹ 7.44 Crores)

- (c) Additional Royalty Claim on limestone raised ₹ Nil (Previous year : ₹ 40.95 Crores)
- (d) Tax on Rural and Road Development ₹ 9.45 Crores (Previous year : ₹ 9.45 Crores)
- (e) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 118.68 Crores. (Previous year : ₹ 94.43 Crores)
- (iii) Corporate guarantees issued to the bankers on behalf of wholly owned subsidiary ₹ 80 Crores (Previous year : ₹ Nil)
- (iv) Outstanding Letters of Credit ₹ 48.80 Crores (Previous year : ₹ 27.40 Crores)
- (v) Prepayment charges claimed by banks on amounts prepaid : ₹ 4.13 Crores (Previous year : ₹ 4.13 Crores)
- (vi) On enactment of The Mines and Minerals (Development and Regulation) Amendment Act, 2015 w.e.f. 12th January, 2015, the Company is liable to pay an amount not exceeding the royalty paid, to the District Mineral Foundation of the district in such manner and subject to categorisation of the mining lease and amounts payable by the various categories of the lease holders, as may be prescribed by the Central Government. Also the company is liable to pay to National Mineral Exploration Trust, a sum equivalent to two percent of the royalty paid, in such a manner as may be prescribed by the Central Government. However, the State and Central Government is yet to issue the notification for establishing the trust and accordingly, amount cannot be ascertained at present.

The management has estimated the provisions for pending litigation, claims and demands (including cases relating to direct and indirect taxes) on its assessment of probability for these demands crystallising against the Company in due course. The difference between the amount demanded and provision made is disclosed as Contingent liabilities.

- (b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) : ₹ 58.81 Crores (Previous year : ₹ 31.26 Crores)
- (c) Disclosure of provisions made as per the requirements of Accounting Standard – 29 on “Provisions, Contingent Liabilities and Contingent Assets” are as follows :

₹ Crores

Particulars	As at 01-04-2014	Provisions made during the year	Amounts utilised or reversed during the year	As at 31-03-2015
MPEB Cess on Generation of Electricity	8.33	–	–	8.33
MP Entry Tax / VAT	8.58	1.47	–	10.05
UP Entry Tax	2.38	1.48	–	3.86
VAT on Inter Unit Transfer	0.68	–	–	0.68
Dispute with Contractors	1.00	–	–	1.00
Appeal with AP Commercial Tax Department	0.62	0.62	–	1.24
Mines Restoration expenses	–	0.20	–	0.20
<b>TOTAL</b>	<b>21.59</b>	<b>3.77</b>	<b>–</b>	<b>25.36</b>

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 1.34 Crores (Previous year : ₹ 1.34 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 24.02 Crores (Previous year : ₹ 20.47 Crores).

During the year, the Company has reviewed its obligation with respect to mines restoration and considering all factors has recognised suitable provisions for the same.

- 35 Effective from April 1, 2014, the useful lives of fixed assets have been revised in accordance with Schedule II to the Companies Act, 2013 (the Act). Due to above, depreciation charge for the year ended March 31, 2015 is lower by ₹ 46.31 Crores. Further based on transitional provision provided in Note 7(b) of Schedule II to the Act, the charge to retained earnings in respect of assets having no useful life as on the effective date, net of deferred tax adjustment is ₹ 7.39 Crores.

- 36 Capital work-in-progress includes pre-operative expenses of ₹ 53.05 Crores (Previous year : ₹ 46.24 Crores), the details of which are as under :

₹ Crores		
Particulars	As at 31-03-2015	As at 31-03-2014
<b>Indirect expenditure incurred during the year and considered as pre-operative expenses :</b>		
Salary, Wages and Bonus	2.77	3.22
Contribution to Provident and other funds	0.13	0.19
Rent, Rates and Taxes	0.29	0.31
Travelling and Communication	0.85	1.22
Professional fees	0.73	1.81
Depreciation	0.34	0.37
Miscellaneous expenses	2.30	5.01
	7.41	12.13
Add : Expenditure up to previous year	46.24	44.45
	53.65	56.58
Less : Adjustment relating to Coal Block / Capitalised during the year	0.60	10.34
Balance Carried forward	53.05	46.24

37 Employee Benefits :

- (a) Defined contribution plans :

The Company has recognised an expense of ₹ 13.50 Crores (Previous year : ₹ 13.55 Crores) towards defined contribution plans, in respect of Provident Fund and Superannuation Fund. The Company contributes to the Provident Fund Trust managed by it or to Recognised Provident Fund. In the event, the Company expect any material deficit in payment of interest, necessary amount is contributed to the own Provident Fund Trust.

- (b) Defined benefit plans :

The actuarial valuation of the present value of the defined benefit obligations were carried out at March 31, 2015. The present value of the defined benefit obligations and the related service costs, were measured using the Projected Unit Credit Method. The following tables set out the funded status and amounts recognised in the Company's financial statements as per actuarial valuation on March 31, 2015 for the Defined Benefits Plan :

- i Changes in the defined benefit obligation for leave entitlement and gratuity :

₹ Crores				
Particulars	2014 - 2015		2013 - 2014	
	Leave Entitlement	Gratuity	Leave Entitlement	Gratuity
<b>A. Changes in the defined benefit obligation :</b>				
Liability at the beginning of the year	16.14	28.54	18.49	27.37
Current service cost	2.02	4.27	2.70	4.03
Interest cost	1.08	2.15	1.12	2.21
Actuarial (gain) / loss on obligation	5.29	2.17	5.96	0.60
Benefits paid	(5.43)	(3.38)	(12.13)	(5.67)
<b>Liability at the end of the year (A)</b>	<b>19.10</b>	<b>33.75</b>	16.14	28.54
<b>B. Changes in the fair value of plan assets :</b>				
Fair value of plan assets at the beginning of the year	N.A.	23.52	N.A.	22.45
Expected return on plan assets	N.A.	2.00	N.A.	1.84
Employer's contributions	N.A.	3.62	N.A.	4.64
Actuarial gain / (loss) on plan assets	N.A.	0.93	N.A.	0.26
Benefits paid	N.A.	(3.38)	N.A.	(5.67)
<b>Fair value of plan assets at the end of the year (B)</b>	<b>N.A.</b>	<b>26.69</b>	N.A.	23.52
<b>C. Balance Liability (A – B)</b>	<b>19.10</b>	<b>7.06</b>	16.14	5.02

## ii Actual Return on Plan Assets :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	Leave Entitlement	Gratuity	Leave Entitlement	Gratuity
Expected Return on plan assets	N.A.	2.00	N.A.	1.84
Actuarial gain / (loss) on plan assets	N.A.	0.93	N.A.	0.26
Actual Return on plan assets	N.A.	2.93	N.A.	2.10

## iii Expenses recognised in Statement of Profit and Loss for the year ended March 31, 2015 :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	Leave Entitlement	Gratuity	Leave Entitlement	Gratuity
Current service cost	2.02	4.27	2.70	4.03
Interest cost	1.08	2.15	1.12	2.21
Expected return on plan assets	N.A.	(2.00)	N.A.	(1.84)
Actuarial (gain) / loss	5.29	1.24	5.96	0.34
Expense recognised in Statement of Profit and Loss	8.39	5.66	9.78	4.74

## iv The categories of plan assets as a percentage of total plan are as follows :

Particulars	Percentage
Equity Shares	15.96%
Central and State Government Securities	43.72%
Other Fixed Income Securities / Deposits	40.32%
<b>TOTAL</b>	<b>100.00%</b>

## v Actuarial Assumptions used in accounting for leave entitlement and gratuity :

- Discount rate : 8% (Previous year : 9%)
- Expected rate of return on plan assets : 8% (Previous year : 8%)
- The estimates of future salary increases of 4% - 5%, considered in actuarial valuation, taking into account the general trend in salary rise and the inflation rates.

38 According to the information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2015 as follows :

₹ Crores

Particulars	2014 - 2015	2013 - 2014
Amount due and outstanding to suppliers at the end of the accounting year	0.10	0.03
Interest paid during the year	-	-
Interest payable at the end of the accounting year	-	-
Interest accrued and unpaid at the end of the year	-	-

39 Remuneration to statutory auditors :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	MLP	Interest not due	MLP	Interest not due
For Statutory Audit	0.57		0.55	
For Tax Audit	0.07		0.06	
For Company Law matters and Taxation services	0.16		0.12	
For Reimbursement of Expenses	0.01		-	
<b>TOTAL</b>	<b>0.81</b>		<b>0.73</b>	

40 (a) The Company has entered into finance lease for using the mining surface rights of limestone, against which the total payment has been made and no contingent rent is payable.

(b) Details of Finance lease agreements (Machinery and Equipments) – Non-cancellable :

The Company has entered into finance leases agreement for plant and machinery. Future minimum lease payments (MLP) under finance leases are as follows :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	MLP	Interest not due	MLP	Interest not due
i Due not later than one year	1.01	0.48	0.68	0.41
ii Due later than one year but not later than five years from the balance sheet date	0.08	0.04	1.41	0.85
iii Later than five years	-	-	-	-

(c) Details of operating lease agreements (Machinery and Equipments) – Non-cancellable :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	MLP	Interest not due	MLP	Interest not due
<b>Future Lease Rental Payments</b>				
i Due not later than one year		3.26		1.65
ii Due later than one year but not later than five years from the balance sheet date		10.24		6.20
iii Later than five years		-		-

Lease rentals of ₹ 2.45 Crores (Previous year : ₹ 0.07 Crores) in respect of obligations under operating leases have been recognised in the Statement of Profit and Loss.

(d) The Company has operating leases for commercial premises which are cancellable at any time during the tenure of the agreement.

- 41 Details of Loan given, security provided and investment made during the year 2014-15 as per section 186(4) of the Companies Act, 2013.

₹ Crores

Nature of transaction	Name of the recipient	Amount of loan / security / acquisition / guarantee	Interest Rate	Purpose of loan / acquisition / guarantee / security	Period
Security acquisition	Silica Ceramica Private Limited (unlisted) - Hyderabad	20.00	-	-	-
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) - Hyderabad	80.00	-	Given to AXIS finance Limited for financial support, extended to Silica.	For the period of loan
Loans	H. & R. Johnson (India) TBK Limited (unlisted) Mumbai	3.25	9%	For Working capital and Business expansion	Repayment based on mutual consent
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) - Hyderabad	80.00	-	Sanctioned but executed in April 2015 in favour of Aditya Birla Finance Limited	For the period of loan

Note : This is the first year of disclosure u/s 186(4) of the Companies Act, 2013 and accordingly, previous year data not applicable.

- 42 Disclosure in respect of Company's Joint Ventures :

Name of the Joint Venture	Proportion of Ownership Interest	Country of Incorporation
Ardex Endura (India) Private Limited	50%	India
Sentini Cermica Private Limited	50%	India
Antique Marbonite Private Limited	50%	India
Spectrum Johnson Tiles Private Limited	50%	India
Small Johnson Floor Tiles Private Limited	50%	India

The aggregate of Company's Share in the above Joint Ventures is :

₹ Crores

Particulars	As at 31-03-2015	As at 31-03-2014
Total Liabilities	132.29	141.39
Total Assets	277.05	272.86
Capital Commitments	2.10	0.06
Contingent Liabilities	11.55	13.12
Total Income	313.30	264.61
Total Expenses	291.59	257.71

- 43 VAT Subsidy :

VAT Subsidy is grouped under Revenue from Operations as part of Sales.

- As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna is entitled for subsidy at the rate of 75% of VAT / CST paid on sales, subject to prescribed limits. Subsidy receivable for the year is ₹ 59.54 Crores (Previous year : ₹ 56.35 Crores).
- As per Industrial Promotion Policy 2010 of Madhya Pradesh, HRJ Unit at Dewas is entitled for subsidy of VAT / CST paid on sales achieved above the normal production capacity. Subsidy receivable for the year is ₹ 0.42 Crores (Previous year : ₹ 0.55 Crores).
- As per Assam Industries (Tax Exemption) Scheme 2009, RMC Unit at Guwahati is entitled to Sales Tax Exemption subject to prescribed limit, at the rate of 99% of tax payable. Amount recognised for the year is ₹ 0.42 Crores (Previous year : ₹ Nil).

44 Disclosure regarding transactions with Related Parties in terms of Accounting Standard - 18 is as under :

(a) Name of the related parties under control of the Company :

Subsidiaries
Raheja QBE General Insurance Company Limited
RMC Readymix Porselano (India) Limited
H. & R. Johnson (India) TBK Limited
Lifestyle Investments PVT Limited (upto 30-10-2013)
Silica Ceramica Private Limited
Milano Bathroom Fittings Private Limited
TBK Venkataramiah Tile Bath Kitchen Private Limited (Step-down Subsidiary)

(b) Name of the related parties with whom transactions have taken place :

Joint Ventures	Key Management Personnel
Sentini Cermica Private Limited	Mr. Vijay Aggarwal – Managing Director
Antique Marbonite Private Limited	Mr. Ganesh Kaskar – Executive Director – HRJ
Spectrum Johnson Tiles Private Limited	Mr. Venugopal M. Panicker – Executive Director – RMC
Small Johnson Floor Tiles Private Limited	Mr. S. Ramnath – Executive Director – Cement (upto 04-02-2015)
Ardex Endura ( India) Private Limited	Mr. Manoj Chhabra – Managing Director (upto 24-08-2013)
TBK Shri Ram Tile Bath Kitchen Private Limited	
TBK Deziner's Home Private Limited	<b>Firm/Enterprise in which Directors and/or relatives have significant influence</b>
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	
TBK P B Shah Tile Bath Kitchen Private Limited	Peninsula Estates Private Limited
TBK Deepgiri Tile Bath Kitchen Private Limited	Varahagiri Investments And Finance Private Limited
TBK Pratap Tile Bath Kitchen Private Limited	Windsor Realty Private Limited
TBK Rangoli Tile Bath Kitchen Private Limited	R & S Business Centre
TBK Bansal Ceramics Private Limited	
TBK Rathi Sales Agencies Private Limited	<b>Associates</b>
TBK Florance Ceramics Private Limited	Prism Power and Infrastructure Private Limited
TBK Sanitary Sales Private Limited	
TBK Tile Home Private Limited	<b>Subsidiary of Joint Venture</b>
TBK Samiyaz Tile Bath Kitchen Private Limited	Antique Minerals Private Limited
TBK Krishna Tile Bath Kitchen Private Limited	Solid Johnson Floor Tiles Private Limited
TBK Reddy Tile Bath Kitchen Private Limited	
TBK Kadakia's Tile Bath Kitchen Private Limited	
TBK Rishi Ceramics Private Limited	
TBK Aishwarya Tile Bath Kitchen Private Limited	
TBK Raj Kamal Tile Bath Kitchen Private Limited	
TBK Shree Ganesh Traders Private Limited	
TBK Vaibhavi Tile Bath Kitchen Private Limited	
TBK Home Trends Private Limited	
TBK Solan Ceramics Private Limited	

(c) Following are the transactions with related parties as defined under Accounting Standard -18 on "Related Party Disclosures" :

₹ Crores

Name/(Relationship)	Nature of transaction	Amount of transaction in 2014-2015	Amount outstanding as at 31-03-2015 (Payable)/ Receivable	Amount of transaction in 2013-2014	Amount outstanding as at 31-03-2014 (Payable)/ Receivable
Mr. Vijay Aggarwal (Managing Director)	Remuneration	4.50	-	4.08	(0.22)
Mr. Ganesh Kaskar (Executive Director)	Remuneration	2.38	(0.26)	2.17	(0.34)
Mr. S. Ramnath (Executive Director upto 04/02/2015)	Remuneration	3.83	(0.19)	0.88	-
Mr. Venugopal M. Panicker (Executive Director)	Remuneration	1.24	(0.17)	0.61	(0.11)
Mr. Manoj Chhabra (Managing Director upto 24/08/2013)	Remuneration	-	-	6.82	-
R & S Business Centre (Concern in which Director and/or relatives have significant influence)	Deposit given	-	-	0.02	-
Windsor Realty Private Limited (Enterprise in which Director and/or relatives have significant influence)	Sale of goods and services	-	0.40	1.28	0.40
Peninsula Estates Private Limited (Company in which Director and/or relatives has significant influence)	Rent paid	0.10	-	0.10	-
	Deposit given	-	0.03	0.03	0.03
Varahagiri Investments And Finance Private Limited (Company in which Director and/or relatives has significant influence)	Rent paid	0.41	-	0.41	-
	Deposit given	-	0.11	0.11	0.11
Raheja QBE General Insurance Company Limited (Subsidiary)	Security Deposit received	-	(0.03)	-	(0.03)
	Advances	-	0.01	-	0.02
	Insurance premium	0.36	0.01	0.30	-
	Rent received	0.03	-	0.03	-
	Claims paid / payable	0.03	-	0.63	0.58
Prism Power and Infrastructure Private Limited (Associate)	Advances	-	0.01	#	0.01
H. & R. Johnson (India) TBK Limited (Subsidiary)	Sale of goods and Services	41.97	3.26	37.62	1.87
	ICD given / (repaid)	(3.00)	45.50	6.42	48.50
	Reimbursement of Services	0.29	-	0.27	-
	Rent received	#	-	0.01	-

₹ Crores

Name/(Relationship)	Nature of transaction	Amount of transaction in 2014-2015	Amount outstanding as at 31-03-2015 (Payable)/Receivable	Amount of transaction in 2013-2014	Amount outstanding as at 31-03-2014 (Payable)/Receivable
Silica Ceramica Private Limited (Subsidiary)	Purchase of Goods and Services	267.07	(43.04)	212.93	2.68
	Investments	20.00	-	14.92	-
	Interest received	3.89	-	2.80	-
	Reimbursement of Services received	0.28	-	1.26	-
	Purchase of Asset	-	-	1.73	-
	Sale of Asset	1.18	-	0.73	-
Sentini Cermica Private Limited (Joint Venture)	Purchase of Goods and Services	166.08	(22.84)	120.90	(23.68)
	Sale of Asset	-	-	1.73	-
	Reimbursement received	0.22	-	0.17	-
	Reimbursement paid of Services	0.09	-	0.07	-
Antique Marbonite Private Limited (Joint Venture)	Purchase of Goods and Services	295.12	(49.16)	267.71	(50.26)
	Interest Received	0.44	-	0.36	-
	Interest paid	1.01	-	0.05	-
	Reimbursement paid for Services	0.09	-	0.17	-
	Reimbursement received	0.25	-	0.33	-
Spectrum Johnson Tiles Private Limited (Joint Venture)	Purchase of Goods and Services	88.27	(16.19)	75.85	(13.38)
	Reimbursement paid for Services	0.23	-	0.11	-
	Rent paid	0.03	-	0.01	-
Milano Bathroom Fittings Private Limited (Subsidiary)	Interest paid	0.19	-	-	-
	Dividend received	0.04	-	0.04	-
	Reimbursement received	0.30	-	0.19	-
Lifestyle Investments PVT Limited (Subsidiary)	Dividend received	-	-	131.05	-
	Redemption of Shares	-	-	53.76	-
TBK Samiyaz Tile Bath Kitchen Private Limited (Joint Venture of subsidiary)	Deposit received	0.01	(0.01)	-	-

₹ Crores

Name/(Relationship)	Nature of transaction	Amount of transaction in 2014-2015	Amount outstanding as at 31-03-2015 (Payable)/Receivable	Amount of transaction in 2013-2014	Amount outstanding as at 31-03-2014 (Payable)/Receivable
TBK Kadakia's Tile Bath Kitchen Private Limited (Joint Venture of subsidiary)	Rent received	0.03	-	-	-
TBK Rathi Sales Agencies Private Limited (Joint Venture of subsidiary)	Rent received	0.10	-	-	-
TBK Rishi Ceramics Private Limited (Joint Venture of subsidiary)	Selling & Distribution expenses	0.71	-	0.52	-
TBK Shri Ram Tile Bath Kitchen Private Limited (Joint Venture of subsidiary)	Rent received	0.05	-	-	-
	Selling & Distribution expenses	0.87	-	0.40	-
TBK Sanitary Sales Private Limited (Joint Venture of Subsidiary)	Sales of Goods	0.89	-	-	-
	Selling & Distribution Expenses	0.83	-	1.92	-
TBK Shri Ganesh Traders Private Limited (Joint Venture of Subsidiary)	Selling & Distribution Expenses	0.42	-	2.04	-
	Reimbursement paid for Services	0.22	-	0.20	-
Others	Interest received	0.46	-	0.34	-
	Interest paid	#	-	-	-
	Purchase of Goods and Services	112.67	(30.08)	120.68	(26.93)
	Sales of Goods and Services	146.83	18.56	146.44	33.18
	Selling & Distribution expenses	3.77	-	3.75	-
	Reimbursement received for Services	0.23	-	0.59	-
	Reimbursement paid for Services	0.52	-	0.57	-

# Amount less than ₹ 50,000/-

Note : In the above table, remuneration includes Leave encashment &amp; Gratuity on actual payment.

45 Supplementary statutory information required to be given pursuant to Clause 32 of the Listing Agreement :

₹ Crores

Name of Subsidiary	Amount Outstanding		Maximum Balance outstanding during the year	
	As at 31-03-2015	As at 31-03-2014	2014-2015	2013-2014
H. & R. Johnson (India) TBK Limited - Interest Free	45.50	48.50	49.25	51.00
H. & R. Johnson (India) TBK Limited - Interest bearing	-	-	3.25	-

46 Imported and indigenous material & stores and spares consumed :

(a) Material consumed

Particulars	2014 - 2015		2013 - 2014	
	₹ Crores	(%)	₹ Crores	(%)
Imported	53.95	4.01	68.64	5.52
Indigenous	1,290.81	95.99	1,174.66	94.48
<b>TOTAL</b>	<b>1,344.76</b>	<b>100.00</b>	<b>1,243.30</b>	<b>100.00</b>

(b) Stores and Spares consumed

Particulars	2014 - 2015		2013 - 2014	
	₹ Crores	(%)	₹ Crores	(%)
Imported	23.65	29.26	19.13	20.07
Indigenous	57.18	70.74	76.19	79.93
<b>TOTAL</b>	<b>80.83</b>	<b>100.00</b>	<b>95.32</b>	<b>100.00</b>

47 Value of imports on CIF Basis :

₹ Crores

Particulars	2014 - 2015	2013 - 2014
Spares	17.64	24.72
Raw Materials	31.55	42.05
Capital Goods	8.64	8.68
Fuel	71.35	-
Traded Goods	72.62	16.13

48 Details of earnings in foreign currency :

F.O.B Value of Export : ₹ 56.05 Crores (Previous year : ₹ 42.48 Crores)

49 Details of expenditure in foreign currency :

₹ Crores

Particulars	2014 - 2015	2013 - 2014
Finance and other charges	0.77	0.90
Travelling and communication expenses	0.84	0.31
Fees for technical services	0.16	0.16
Other expenditure	0.23	0.12
<b>TOTAL</b>	<b>2.00</b>	<b>1.49</b>

50 Disclosure of Foreign Currency Exposure :

(a) Forward exchange contracts to hedge the foreign currency exposure for payments to be made against imports & borrowings.

In Crores

Currency	As at 31-03-2015		As at 31-03-2014	
	Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
USD	-	-	0.12	7.17
EURO	0.02	1.55	-	-

(b) Particulars of unhedged foreign currency asset/liability as at Balance Sheet date :

In Crores

Currency	Nature	2014-2015		2013-2014	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
Euro	Asset	#	0.23	#	0.05
Swiss Francs (CHF)	Asset	#	0.02	#	0.14
Danish Krone (DKK)	Asset	#	0.01	0.01	0.13
LKR	Asset	0.19	0.09	-	-
GBP	Asset	0.08	7.70	0.07	6.81
US Dollar (USD)	Asset	0.31	19.54	0.12	7.23
Euro	Liability	0.15	9.99	0.28	23.42
Swiss Francs (CHF)	Liability	-	-	#	#
LKR	Liability	0.32	0.15	-	-
US Dollar (USD)	Liability	2.49	155.56	0.33	19.54
Japanese Yen (Yen)	Liability	0.23	0.12	0.02	0.01

# Amount less than ₹ 50,000/-

(c) The Company has booked INR USD Cross Currency Swap Contracts of USD 5.92 Crores (Previous year : ₹ Nil) against the underlying INR borrowing of ₹ 365 Crores (Previous year : ₹ Nil). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net gain of ₹ 4.08 Crores (Previous year : ₹ Nil) are included in interest expenses under finance cost in note no.28.

51 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Date : May 14, 2015

Rajesh G. Kapadia  
Ameeta A. Parpia

Chairman  
Director

Vijay Aggarwal

Managing Director

Ganesh Kaskar  
Venugopal M. Panicker

Executive Director- HRJ  
Executive Director- RMC

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chief Financial Officer  
Company Secretary

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF PRISM CEMENT LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PRISM CEMENT LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities (as defined in the Companies (Accounting Standards) Rules, 2006), comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and jointly controlled entities as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit financial statements of four subsidiaries and one jointly controlled entity and consolidated financial statement of one subsidiary and four jointly controlled entities, whose financial statements / consolidated financial statement reflect total assets of Rs.397.84 crores as at March 31, 2015, total revenues of Rs.765.86 crores and net cash flows amounting to Rs.18.07 crores for the year ended on that date, as considered in the preparation of the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, based on our comments in our report of the Holding Company and further based on the comments in the auditors' report and / or supplementary information furnished by the auditors of subsidiaries and jointly controlled companies incorporated in India and to whom the Order is applicable, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **As required by Section 143(3) of the Act, we report, to the extent applicable, that :**
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account, working and records maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and jointly controlled companies incorporated in India, none of the

directors of the Group companies and jointly controlled companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities— Refer Note 35(a) to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 47(c) to the consolidated financial statements in respect of such items as it relates to the Group and jointly controlled entities.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Fund by the subsidiaries and jointly controlled companies incorporated in India.

For **G. M. Kapadia & Co.**

*Chartered Accountants*

Firm's Registration No : 104767W

**Atul Shah**

*Partner*

Mumbai

Dated : May 14, 2015

Membership No : 39569

## Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date

With respect to Holding Company, its subsidiaries and jointly controlled companies incorporated in India to whom the provisions of the Order apply (hereinafter collectively referred to as "covered companies"), we report as follows :

- i. (a) The covered companies have maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets;
- (b) The covered companies have formulated a programme of verification by which all fixed assets are verified in a phased manner, which in our opinion is reasonable having regards to the size of the covered companies and nature of its assets. No material discrepancies were noticed on verification conducted during the year by the management of the respective covered companies as compared with the book records.
- ii. (a) Inventories have been physically verified during the year by the respective management of the covered companies. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management of the covered companies were reasonable and adequate in relation to the size of the respective companies and nature of its business.
- (c) The covered companies are maintaining proper records for inventory. The discrepancies noticed on physical verification as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii. One of the subsidiary company, H & R Johnson (India) TBK Limited has granted unsecured loans to companies covered in the register maintained under section 189 of the Act.
  - (a) In our opinion and according to the information and explanation obtained by the statutory auditor of the above mentioned company, the borrower has been regular in the payment of principle amount and interest.
  - (b) There is no overdue amount over Rs. one lac and hence the question of reporting under clause (iii)(b) of paragraph 3 of the Order regarding recovery of overdue amount does not arise.
- iv. The covered companies have an adequate internal control system commensurate with the respective size of each company and the nature of its business with regards to purchase of inventory and fixed assets and for sale of services. During the course of our audit and as reported by other auditors who audited the financial statements of the other covered entities of the Group and jointly controlled companies, no continuing failure to correct major weakness in internal controls system was observed.
- v. In the opinion and according to the information and explanation given to us, the Holding Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 and any other relevant provisions of the Act and the rules framed there under, to the extent applicable. The management of the Holding Company has informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard. The other covered companies except for the Holding Company have not accepted deposits and accordingly, the above question does not arise.
- vi. According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the covered companies except in case of Ardex Endura (India) Private Limited (jointly controlled company) and RMC Readymix Porselano (India) Limited (subsidiary company) where maintenance of cost records has not been prescribed by the Central Government. We and other respective statutory auditors have broadly reviewed the books of account maintained wherever prescribed and in our opinion; prima facie, such records have been made and maintained by the respective companies. However, a detailed examination of the records has not been made by us or the statutory auditors of the respective companies with a view to determine whether they are accurate or complete.
- vii. (a) The covered companies are generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities except in case of one subsidiary company H & R Johnson (India) TBK Limited where TDS has not been deposited amounting to Rs. 0.01 crores which is outstanding for more than 6 months from the date it was due.
- (b) According to the information and explanation furnished, the details of dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise or cess which have not been deposited with the concerned authorities on account of dispute are given below :

Prism Cement Limited

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ Crores)
Central Excise and Service Tax	2001-02 to 2011-12	Customs Excise & Service Tax Appellate Tribunal	14.72
	2006-07 to 2011-12	Central Excise Service Tax Appellate Tribunal	0.22
	2007-08 to 2013-14	Commissioner (Appeals)	10.16
	2008-09 to 2009-10	Assistant Commissioner (Appeals)	0.02
	2007-08 & 2013-14	Deputy Commissioner (Appeals)	0.01
	2008-09	Joint Commissioner (Appeals)	0.11
	2005-08	Customs, Excise and Service Tax Appellate Tribunal, Chennai	0.54
	2005-06	Commissioner (Appeals)	0.55
Sales Tax (Central & State)	2000-01 to 2005-06	The High Court, Chattisgarh	7.56
	2009-10 to 2010-11	The High Court, Madhya Pradesh	0.81
	2010-11 to 2012-13	Commissioner (Appeals), Delhi	0.26
	2008-09 to 2009-10	Joint Commissioner (Appeals), Maharashtra	0.68
	2009-10 to 2012-13	Additional Commissioner, Madhya Pradesh	1.46
	2010-11	Appellate Board, Madhya Pradesh	##
	2010-11	Assistant Commissioner, Madhya Pradesh	0.20
	2007-08 to 2009-10	Tribunal, Madhya Pradesh	0.18
	2010-12	Deputy Commissioner (Appeals), AP	0.09
	2009-10	Assistant Commissioner, Punjab	0.04
	2010-11 to 2012-13	Commissioner (appeals), Punjab	0.22
	2009-10	Deputy Commissioner (appeals), Rajasthan	0.03
	1999-05	Sales tax Appellate Tribunal, Hyderabad	0.40
	2005-07	Joint Commissioner of Sales Tax, Mumbai	0.34
	2007-09	Appellate Deputy commissioner, Chennai	0.36
	2008-09	District Industries Centre, Raipur	0.02
	2009-10	Appellate Deputy commissioner, Chennai	0.12
	2009-10	Additional Commissioner Commercial Taxes, -UP	0.13
2009-10	Commercial Tax Officer, Goa	0.18	
2010-12	Additional Commissioner (Appeal), Hyderabad	0.01	
Madhya Pradesh Commercial Tax Act, 1944	2012-13 to 2014-15	The High Court, Madhya Pradesh	12.2
Madhya Pradesh Entry Tax Act, 1976	2006-07 to 2014-15	The Supreme Court	55.24
	2010-11	Commercial Tax Appellate Board, Bhopal	0.65
Uttar Pradesh Entry Tax Act, 2003	2003-04 to 2009-10	The High Court, Uttar Pradesh	3.86
Uttar Pradesh Commercial Tax Act, 1956	1998-99	High Court, Uttar Pradesh	0.08
	1996-97 to 1997-98	Tribunal, Uttar Pradesh	0.05
West Bengal Sales Tax Act, 1954	2002-03 to 2004-05	Revision Authority	0.07
Energy Development Cess, 2001	2000-01 to 2005-06	The Supreme Court	11.9
Income Tax Act, 1961	2006-07 to 2011-12	Commissioner of Income Tax (Appeals)	4.36
MP Rural Infrastructure and Road Development Act, 2005	2007-08 to 2013-14	The Supreme Court	0.66
	2009-10 to 2012-13	The High Court, Madhya Pradesh	1.59
Royalty on Mining Minerals	2010-12	Director of Mines & Geology, Hyderabad	0.09

#### H. & R. Johnson (India) TBK Limited

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ Crores)
Central Excise Act, 1944	2011-12	Commissioner of Income Tax – Mumbai	0.13

#### Spectrum Johnson Tiles Private Limited

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ Crores)
Central Excise Act, 1944	2007-09	Commissioner of Excise – Rajkot	0.14

#### Antique Marbonite Private Limited

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ Crores)
The Service Tax Rules, 1994	2007-10	Assistant Commissioner – Rajkot	#
	2010-11	Superintendent of Central Excise – Morbi	#
	2012-13	Superintendent of Central Excise – Morbi	#
	2006-07	Additional Commissioner of Central Excise – Rajkot	0.18
	2006-07	Assistant Commissioner – Rajkot	#
The Income Tax Act, 1961	2010-11	Commissioner of Income Tax – Rajkot	0.56

#### Sentini Ceramica Private Limited

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ Crores)
Central Excise Act, 1944	2012-14	Commissioner of Excise (Appeals)	0.23

Note : In case of jointly controlled companies proportionate amounts are reported in the above table.  
# represents amount below ₹ 50,000/-

- (c) Except for the Holding Company, none of the covered companies were required to transfer amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Therefore, the provisions of clause (vii)(c) of paragraph 3 of the Order relating to transfer of amount to investor education and protection fund is not applicable. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
- viii. The covered companies do not have accumulated losses at the end of the year and have not incurred cash loss during the year except for two subsidiaries viz. H & R Johnson (India) TBK Limited and Silica Ceramica Private Limited which have accumulated losses as at the end of the year in excess 50% of net worth. These companies have incurred cash loss during the financial year and the immediately preceding financial year on consolidated basis and standalone basis respectively.
- ix. None of the covered companies have defaulted in repayment of their respective dues to their financial institutions, banks and debenture holders.
- x. The covered companies have not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The covered companies have applied term loans for the purpose for which they were obtained.
- xii. No instances of material fraud on or by covered companies has been noticed or reported during the course of audit by respective auditors of the covered companies.

**For G. M. Kapadia & Co.**  
Chartered Accountants  
Firm's Registration No : 104767W

Mumbai  
Dated : May 14, 2015

**Atul Shah**  
Partner  
Membership No : 39569

# Consolidated Balance Sheet as at March 31, 2015

Particulars	Note No.	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
a. Share Capital	2	503.36		503.36	
b. Reserves and Surplus	3	550.97	1,054.33	555.46	1,058.82
		<b>57.08</b>		<b>54.52</b>	
<b>2. Minority Interest</b>					
<b>3. Non-Current Liabilities</b>					
a. Long-term Borrowings	4	1,638.51		1,447.79	
b. Deferred Tax Liability (Net)	5	29.83		56.28	
c. Other Long-term Liabilities	6	147.17		118.37	
d. Long-term Provisions	7	49.25	1,864.76	45.93	1,668.37
<b>4. Current Liabilities</b>					
a. Short-term Borrowings	8	447.26		330.51	
b. Trade Payables	9	784.23		718.91	
c. Other Current Liabilities	10	613.75		761.76	
d. Short-term Provisions	11	39.88	1,885.12	27.27	1,838.45
<b>TOTAL</b>		<b>4,861.29</b>		<b>4,620.16</b>	
<b>II. ASSETS</b>					
<b>1. Non-current Assets</b>					
a. Fixed Assets					
i. Tangible Assets	12	2,341.11		2,395.96	
ii. Intangible Assets	12	22.69		32.28	
iii. Capital Work-in-progress	37	71.67		63.64	
b. Goodwill on Consolidation		49.13		45.44	
c. Non-current Investments	13	131.49		111.24	
d. Deferred Tax Asset (net)	5	11.35		11.21	
e. Long-term Loans and Advances	14	186.72		148.96	
f. Other Non-current Assets	15	89.32	2,903.48	78.18	2,886.91
<b>2. Current Assets</b>					
a. Current Investments	16	86.09		114.61	
b. Inventories	17	713.51		574.42	
c. Trade Receivables	18	582.89		531.31	
d. Cash, Cash equivalent and Bank balances	19	129.60		110.71	
e. Short-term Loans and Advances	20	218.71		219.72	
f. Other Current Assets	21	227.01	1,957.81	182.48	1,733.25
<b>TOTAL</b>		<b>4,861.29</b>		<b>4,620.16</b>	
<b>Significant Accounting Policies</b>	1				
<i>The Note numbers 1 to 49 forms integral part of the Financial Statements</i>					

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Date : May 14, 2015

Rajesh G. Kapadia  
Ameeta A. Parpia

Vijay Aggarwal

Ganesh Kaskar  
Venugopal M. Panicker

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chairman  
Director

Managing Director

Executive Director - HRJ  
Executive Director - RMC

Chief Financial Officer  
Company Secretary

## Consolidated Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No.	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
<b>Revenue from Operations :</b>			
Sales of products and services		6,098.84	5,426.69
Premium from Insurance Business		19.52	18.47
Other Operating Income	22	50.91	46.52
		<b>6,169.27</b>	5,491.68
Less : Excise Duty		514.84	465.11
<b>Total Revenue from Operations</b>		<b>5,654.43</b>	5,026.57
Other Income	23	35.72	157.34
<b>Total Revenue</b>		<b>5,690.15</b>	5,183.91
<b>Expenses :</b>			
- Cost of Materials consumed		1,583.44	1,430.40
- Purchase of Stock-in-trade		695.79	554.14
- Changes in inventories	24	(27.37)	(11.31)
- Manufacturing expenses	25	1,343.92	1,363.45
- Employees benefit expenses	26	383.25	349.11
- Finance cost	27	289.61	274.62
- Depreciation and Amortisation expenses	12	164.86	200.36
- Other expenses	28	1,324.19	1,161.53
<b>Total Expenses</b>		<b>5,757.69</b>	5,322.30
<b>Profit / (Loss) Before Exceptional items and Tax</b>		<b>(67.54)</b>	(138.39)
Exceptional items	29	60.34	9.37
<b>Profit / (Loss) before Tax</b>		<b>(7.20)</b>	(129.02)
<b>Tax Expenses</b>			
- Current Tax		(5.42)	(1.55)
- Minimum Alternate Tax		(5.57)	(1.98)
- MAT Credit Entitlement		(0.22)	0.43
- Income Tax earlier years		0.22	(0.33)
- Deferred Tax	5	23.01	47.46
		12.02	44.03
<b>Profit / (Loss) for the year</b>		<b>4.82</b>	(84.99)
Adjustment for Minority Interest		(2.20)	(1.21)
<b>Profit / (Loss) after Minority Interest carried to Balance Sheet</b>		<b>2.62</b>	(86.20)
<b>Earning per Equity Share (Face Value of ₹ 10/- each)</b>			
Basic and Diluted (₹)	31	0.05	-1.76
<b>Significant Accounting Policies</b>			
The Note numbers 1 to 49 forms integral part of the Financial Statements			

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Date : May 14, 2015

Rajesh G. Kapadia  
Ameeta A. Parpia

Chairman  
Director

Vijay Aggarwal

Managing Director

Ganesh Kaskar  
Venugopal M. Panicker

Executive Director - HRJ  
Executive Director - RMC

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chief Financial Officer  
Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2015

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>A. Cash Flow from Operating Activities</b>		
Profit / (Loss) before taxation as per Statement of Profit and Loss	(7.20)	(129.02)
<b>Adjustment for :</b>		
Depreciation & amortisation	164.86	200.36
Amortisation of Processing fees	16.73	15.56
Provision for Bad and Doubtful Debts	11.79	10.37
Loss on sale of assets (net)	4.18	1.42
Amalgamation expenses written back	-	(1.50)
Profit on sales of investments (net)	(0.63)	(140.57)
Loss on sale of Land	1.78	-
Interest Income	(11.21)	(7.88)
Dividend income	-	(11.33)
Interest expenditure	272.88	259.06
(Gain) / Loss on exchange fluctuations	(2.93)	9.35
<b>Operating Profit / (Loss) before working capital changes</b>	<b>450.25</b>	<b>334.84</b>
<b>Changes in Working Capital</b>		
Increase / (Decrease) in trade and other payables	84.64	1.05
(Increase) / Decrease in trade receivables	(63.71)	(72.83)
(Increase) / Decrease in inventories	(139.09)	15.76
(Increase) / Decrease in other receivables	(128.16)	(86.14)
<b>Cash Generated from Operations</b>	<b>203.93</b>	<b>63.66</b>
Direct taxes Paid (net of refunds)	6.17	7.06
<b>Net cash generated from operating activities (A)</b>	<b>197.76</b>	<b>56.60</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets and additions in CWIP	(179.92)	(211.15)
Proceeds from sales of fixed assets	10.41	8.22
Purchase of investments	(175.70)	(299.35)
Sales proceeds from Investments	277.49	562.45
Interest received	10.46	7.88
Dividend Income	-	11.33
<b>Net cash used in / generated from investing activities (B)</b>	<b>(57.26)</b>	<b>79.38</b>

## Consolidated Cash Flow Statement (Contd.)

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>C. Cash flow from Financing Activities</b>		
Additions to Borrowings	1,162.39	1,195.35
Repayment of Borrowings	(1,025.59)	(1,070.63)
Dividend paid including distribution tax	(0.01)	(0.01)
Interest paid	(243.90)	(269.69)
<b>Net cash used in financing activities (C)</b>	<b>(107.11)</b>	<b>(144.98)</b>
<b>Net increase in cash and cash equivalents during the year (A+B+C)</b>	<b>33.39</b>	<b>(9.00)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>44.65</b>	<b>53.28</b>
<b>Cash on hand of entities which was consolidated first time during the year (Refer Note 1.1 (f))</b>	<b>0.09</b>	<b>-</b>
<b>Cash and cash equivalents transferred on Amalgamation</b>	<b>-</b>	<b>0.37</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>78.13</b>	<b>44.65</b>
Cash and cash equivalents comprises of :		
Cash on hand	1.81	1.39
Cheques on hand	4.49	14.91
Balance with Banks	71.83	28.35
<b>TOTAL</b>	<b>78.13</b>	<b>44.65</b>

Notes :

- Cash flow Statement has been prepared under the indirect method as set-out in AS - 3 on "Cash Flow Statements".
- Figures of the Previous year have been regrouped / reclassified / restated, wherever considered necessary.

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Date : May 14, 2015

Rajesh G. Kapadia  
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Chairman  
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Executive Director - RMC

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chief Financial Officer  
Company Secretary

# NOTES TO ACCOUNTS

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of Consolidation

The Consolidated Financial Statements relate to Prism Cement Limited (“the Company”), its Subsidiary Companies and Joint Ventures (collectively, the “Group”). The financial statements of the entities in the Group used in the Consolidation are drawn upto the same reporting date of the Company i.e. March 31, 2015.

Prism Cement Limited, a Public Limited Company incorporated under the Companies Act, 1956, principally operates in three business segments : Cement, Tile, Bath and Kitchen (TBK) and Ready-mixed Concrete (RMC). The equity shares of the Company are listed on the Bombay Stock Exchange and National Stock Exchange.

- (a) The consolidated financial statements are prepared in accordance with Accounting Standard 21 – “Consolidated Financial Statements” and Accounting Standard 27 – “Financial Reporting of Interests in Joint Ventures” as notified by the Companies (Accounting Standard) Rules, 2006.
- (b) The excess of the cost to the Company of its investment, over the Company’s portion of net assets at the time of acquisition of shares is recognised in the financial statements as Goodwill. The excess of Company’s portion of net assets over the cost of investment therein is treated as Capital Reserve.
- (c) The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible, are made in the consolidated financial statements and are presented in the same manner as the Company’s standalone financial statements. The figures pertaining to the subsidiaries have been recast / reclassified wherever necessary to bring them in line with the parent Company’s financial statements.
- (d) The financial statements of the subsidiaries and joint ventures used in the consolidation are drawn up to the same reporting date as that of the Company.
- (e) The Notes and Significant accounting policies to the consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Group. In this respect, the Company has disclosed such notes and policies which fairly present the needed disclosures, and such other notes and statutory information disclosed in the financial statements of the parent and the subsidiary companies which are not having any effect on the true and fair view of the consolidated financial statements are excluded.
- (f) Some of the joint ventures have made down stream investments in their subsidiaries. Till the financial year 2013-14, these joint ventures were not required to prepare consolidated financial statements and accordingly, for preparation of consolidated financial statements of the Group, the Group had considered standalone financial statements of such joint ventures. Pursuant to enactments of the Companies Act, 2013, these joint ventures are required to prepare consolidated financial statements and accordingly, the Group has considered such consolidated financial statements for preparation of its consolidated financial statements.

### Subsidiaries

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions. The unrealised profits or losses resulting from the intra-group transactions have been eliminated and unrealised losses resulting from the intra-group transactions have also been eliminated unless cost cannot be recovered. Share of minority interest in the net profit of the consolidated subsidiaries is identified and adjusted against the profit after tax to arrive at the net income attributable to shareholders. Share of minority interest in losses of the consolidated subsidiaries, if exceeds the minority interest in the equity, the excess and further losses applicable to the minority, are adjusted against the Group’s interest. Share of minority interest in net assets of consolidated subsidiaries is presented in the consolidated balance sheet separately from liabilities and the equity of the Company’s shareholders.

### Associate

The Company’s investment in its Associate is ₹ 49,000 only. This Associate has not commenced any activities and accordingly it has not been considered for consolidation.

### Joint venture

Interests in joint venture have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures as notified by the Rules. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its independent financial statements.

## 1.2 Particulars of Subsidiaries, Joint Ventures and Associates

### (a) List of Subsidiaries and the Company's effective holding therein :

Sr. No.	Name of the entity	Effective Ownership in % either directly or through Subsidiary	
		As at 31-03-2015	As at 31-03-2014
1	RMC Readymix Porselano (India) Limited	100%	100%
2	H. & R. Johnson (India) TBK Limited	100%	100%
3	TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	100%	100%
4	Milano Bathroom Fitting Private Limited	100%	100%
5	Silica Ceramica Private Limited #	99.28%	98.30%
6	Raheja QBE General Insurance Company Limited	74%	74%
7	Lifestyle Investments PVT Limited (100% upto 30.10.2013)	Nil	Nil

### (b) List of Joint Ventures held directly and the Company's effective holding therein :

Sr. No.	Name of the entity	Effective Ownership in % directly	
		As at 31-03-2015	As at 31-03-2014
1	Ardex Endura (India) Private Limited	50%	50%
2	Sentini Cermica Private Limited	50%	50%
3	Antique Marbonite Private Limited	50%	50%
4	Spectrum Johnson Tiles Private Limited	50%	50%
5	Small Johnson Floor Tiles Private Limited	50%	50%

### (c) List of Associate and the Company's effective holding therein :

Sr. No.	Name of the entity	Effective Ownership in % directly	
		As at 31-03-2015	As at 31-03-2014
1	Prism Power and Infrastructure Private Limited	49%	49%

### (d) List of Joint Ventures held indirectly and the Company's effective holding therein :

Sr. No.	Name of the entity	Effective Ownership in % either directly or through Subsidiary / Joint Venture	
		As at 31-03-2015	As at 31-03-2014
1	TBK Samiyaz Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
2	TBK PB Shah Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
3	TBK Deepgiri Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
4	TBK Shriram Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
5	TBK Unique Jalgaon Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
6	TBK Deziner's Home Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%

Sr. No.	Name of the entity	Effective Ownership in % either directly or through Subsidiary / Joint Venture	
		As at 31-03-2015	As at 31-03-2014
7	TBK Pratap Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
8	TBK Rangoli Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
9	TBK Bansal Ceramics Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
10	TBK Rathi Sales Agencies Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
11	TBK Krishna Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
12	TBK Sanitary Sales Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
13	TBK Florance Ceramics Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
14	Countywide Export Private Limited (Subsidiary of TBK Florance Ceramics Private Limited )	49.99%	49.99%
15	TBK Tile Home Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
16	TBK Home Trends Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
17	TBK Kadakia's Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
18	TBK Reddy Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
19	TBK Rishi Ceramics Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
20	TBK Vaibhavi Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
21	TBK Shree Ganesh Traders Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
22	TBK Aishwarya Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
23	TBK Solan Ceramics Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
24	TBK Raj Kamal Tile Bath Kitchen Private Limited (Joint Venture of H. & R. Johnson (India) TBK Limited)	50%	50%
25	Bal Endura Building Products Private Limited (Subsidiary of Ardex Endura (India) Private Limited)	50%	50%
26	Spectrum Floor Tiles Private Limited (Subsidiary of Spectrum Johnson Tiles Private Limited)	50%	50%
27	Spectrum Johnson Ceramic Private Limited (Subsidiary of Spectrum Johnson Tiles Private Limited)	50%	50%
28	Solid Johnson Floor Tiles Private Limited (Formerly Known as Solid Ceramic Private Limited) (Subsidiary of Small Johnson Floor Tiles Private Limited)	50%	50%
29	Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	25.50%	25.50%

# Additional Investment made during the year.

Note : All the above entities are incorporated in India except Lifestyle Investments PVT Limited which was incorporated in Jersey.

### 1.3 Basis of Preparation

The financial statements of the Group are consistently prepared and presented under historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. In accordance with first proviso to section 129(1) of the Companies Act, 2013 and clause 6 of the General Instructions given in Schedule III to the Companies Act, 2013, the terms used in these financial statements are in accordance with the Accounting Standards as referred to herein.

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

However, the financial statements of Raheja QBE General Insurance Company Limited, a subsidiary Company engaged in general insurance business are prepared and presented in accordance with generally accepted accounting principles followed in India under the historical cost convention, on the accrual basis of accounting and in accordance with statutory requirements of the Insurance Act, 1938, Insurance Regulatory and Development Authority (IRDA) Act, 1999, Insurance Regulatory and Development Authority (Preparation of financial statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations') and order/directions prescribed by IRDA in this behalf, the Accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, to the extent applicable and current practices prevailing in the Insurance Industry.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Group have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of financial statements.

### 1.4 Use of Estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences on account of revision of estimates, actual results and existing estimates are recognised in periods in which the results are known / materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

### 1.5 Revenue Recognition

#### Sale of goods

Sales are recognised on passing of risks and rewards attached to the goods. Sales include excise duty but do not include Value Added Tax (VAT) and Central Sales Tax (CST).

#### Income from services

Revenues from services are recognised as and when services are rendered on proportionate completion method. Income from services does not include Service Tax (ST).

#### Dividend Income

Dividend income is recognised for when the right to receive is established.

#### Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable on Yield To Maturity (YTM) basis.

#### Premium Income

Premium (net of service tax), on direct business and reinsurance accepted, is recognised as income over the contract period or the period of risk, whichever is appropriate. Any subsequent revision to or cancellation is recognised in year in which they occur.

#### Commission on Reinsurance Ceded

Commission received on reinsurance ceded is recognised in the period in which reinsurance premium is ceded. Profit commission under reinsurance treaties wherever applicable, is recognised on accrual. Any subsequent revisions of profit commission are recognised for in the year in which final determination of the profits are intimated by reinsurers.

### Investment Income

Interest income on fixed interest bearing debt securities and fixed deposits with scheduled banks is recognised on accrual basis.

Dividend income is recorded when the right to receive the dividend is established.

Amortization of premium and accretion of discount relating to debt securities is recognised over the holding / maturity period of security on straight line basis.

The net realized gain or losses on the debt securities are the difference between the net sale consideration and the amortized cost, which is computed on a weighted average basis as on the date of sale. In case of mutual fund units, the profit or loss on actual sale of investment includes effects of accumulated fair value changes previously recognised and credited to Fair Value Change account.

Sale consideration for the purpose of realized gain or loss is net of brokerage and taxes, if any and excludes accumulated interest received on sales.

### 1.6 Tangible Fixed Assets

Fixed assets are stated at cost less depreciation / amortisation and impairment loss, if any. The cost is inclusive of borrowing costs and incidental expenses incurred during construction period and is net off cenvat credit availed, discount and rebates.

Cost of acquisition of mining land is bifurcated into cost of land and cost of estimated mining reserves. Freehold and Leasehold Land includes mining land. Mines Development expenses comprise of mining infrastructure expenses and overburden removal cost.

Machinery spares, which are specific to particular machinery and whose use is expected to be irregular, are capitalised as Plant & Machinery. Gains and Losses arising from disposal of fixed assets and losses arising from retirement of fixed assets are recognised in the Statement of Profit and Loss.

### 1.7 Intangible assets

Intangible Assets are recognised only if they are separately identifiable and the Group expects to receive future economic benefits arising out of them. Such Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

### 1.8 Depreciation and Amortisation

- i Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Companies Act, 2013, unless otherwise specified.
- ii Depreciable amount for assets is the cost of an asset less its estimated residual value.
- iii Depreciation on additions to / deductions from fixed assets is provided on pro-rata basis from / to the date of acquisition / disposal.
- iv Assets costing less than ₹ 10,000/- are fully depreciated in the year of acquisition.
- v Depreciation on foreign exchange differences on borrowings utilised for acquisition of assets is provided prospectively over the remaining life of the assets.
- vi In case of certain class of assets, the Group uses different useful life than those prescribed in Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under :

Assets	Cement	HRJ	RMC	Insurance
Mobile Phones	1 - 3 years			-
Motor Cars given to the employees as per the Company's Scheme or Vehicle used by Employees.	5 - 6 years			
Leasehold Land and Mining surface rights	Remaining period of the Lease			-
Truck Mixers, Loaders, Excavators and Truck Dumpers	-	-	8 years	-
Mines Development Expenses	5 years from the month of commencement of extraction of limestone / coal from that area	Over a period of extraction on the basis of Unit of Production Method	-	-
Intellectual property right	-	10%	-	-
Technical Know-how	-	14.29%	-	-

Assets	Cement	HRJ	RMC	Insurance
Leasehold improvements	Over the period of lease / rent agreement.			-
Machinery spares	Over the useful life of the related assets	-	-	-
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any	-	-	-
Plant & Machinery-Concrete Pumps	-	-	6 years	-
The civil and other costs attributable to the plants / office on leased premises	-	-	Over the unexpired period of the lease	-
Amortization of mining reserve (included in Freehold / Leasehold Land) and Leasehold Land	Unit of Production Method	-	-	-

## 1.9 Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Group can demonstrate all the following :

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development

### 1.10 Leases

Where the Group is lessee :

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

Charges paid under operating lease arrangements, where all the risks and benefits incidental to ownership are retained by the lessor, are charged to Statement of Profit and Loss.

### 1.11 Impairment of tangible and intangible assets

The carrying amounts of Tangible and Intangible assets are tested for impairment at each Balance Sheet date to determine if there is any indication of impairment, based on internal / external factors. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

### 1.12 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long - term investments are carried at cost. Diminution, if any, other than temporary, is provided for. Current investments are carried at lower of cost or fair value.

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

### 1.13 Inventories

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

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on a moving weighted average basis. Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on the Balance Sheet date.

Traded Goods are valued on moving weighted average cost.

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

### 1.14 Foreign Currency Transactions

#### Initial Recognition

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of the transaction. The exchange differences arising on restatement or on settlement are recognised in the Statement of Profit and Loss.

#### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### Forward contracts

Forward contracts are entered into to hedge the foreign currency risk of the underlying outstanding at the Balance Sheet date. The premium or discount on such contracts is amortised as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognised as an income or expense for the period. The difference on account of exchange rate fluctuation is taken to Statement of Profit and Loss.

#### Synthetic Swap (under forward contracts) :

Outstanding forward / future contracts against firm commitments and derivative contracts, other than stated above, are marked to market and the resulting loss, if any, is charged to the Statement of Profit and Loss. Gain, if any, on such marked to market is not recognised unless it is reversal of loss recognised earlier.

#### Exchange Differences

The Group has availed option provided under paragraph 46A of Accounting Standard 11 : 'The Effects of Changes in Foreign Exchange Rates', vide Notification dated December 29, 2011 issued by MCA. Exchange differences arising on principal amount of borrowings are not considered as borrowing costs and treated as part of exchange difference. Consequently, the exchange differences on long-term foreign currency monetary items, are dealt with in the following manner :

- Foreign exchange differences on long term borrowings utilised for acquisition of depreciable asset is treated as an adjustment to the cost of depreciable asset and the same is depreciated over the balance useful life of the asset.
- Foreign exchange differences arising from other long term monetary items are accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of the said asset / liability.

### 1.15 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or production of qualifying assets are capitalised as the cost of the respective assets. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

### 1.16 Government Grants

VAT subsidy from State Governments is recognised as a part of Sales under Revenue from Operations in the Statement of Profit and Loss on accrual basis i.e. when there is reasonable assurance that the conditions attached to them will be complied and subsidy will be received.

### 1.17 Employee Benefits

Superannuation and ESIC are defined contribution plans. Provident Fund is treated as defined contribution plan. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Group, the management does not expect any material liability on account of interest shortfall to be borne by the Group. Gratuity benefits are treated as defined benefit plan. Gratuity obligation is worked out based on an actuarial valuation.

Employees are entitled to carry forward unutilised leave, the liability of which is arrived based on an actuarial valuation. Employees are also entitled to medical benefit for which premium is paid by Group.

The contribution made by the Group for Provident Fund, Superannuation and Medical Premium is charged to the Statement of Profit and Loss. Incremental liability for leave entitlement and Gratuity is charged to the Statement of Profit and Loss. Actuarial gains / losses are immediately recognised in Statement of Profit and Loss and are not deferred.

### 1.18 Taxes on Income

- (a) The Group provides current tax based on the provisions of the Income Tax Act, 1961 applicable to it.
- (b) Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognised on timing differences that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realization in future. The effect on deferred tax assets and liabilities of change in tax rates is recognised in the Statement of Profit and Loss in the period of enactment of the change.
- (c) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period.

### 1.19 Provision

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current estimates of the management.

### 1.20 Contingent Liabilities

- (a) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of :
  - i a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - ii a possible obligation, unless the probability of outflow of resources is remote.
- (b) Contingent Assets are neither recognised nor disclosed.

### 1.21 Segment Reporting

The Group has identified primary segments based on the products and does not have any secondary segments. The primary segments identified are as follows :

- i Cement
- ii TBK (Tile, Bath and Kitchen)
- iii RMC (Readymixed Concrete)
- iv Insurance

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities, which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "Unallocated revenue / expenses / assets / liabilities".

### 1.22 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank, cash / cheques in hand, demand deposits with banks and other short-term investments with an original maturity of three months or less.

### 1.23 Earnings Per Share

- (a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, share split, etc., if any that have changed the number of equity shares outstanding, without a corresponding change in resources. In addition, weighted average number of equity shares are net of own shares held through Trust.
- (b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 1.24 Expenditure on New Projects

Expenditure (including borrowing costs) directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure (including borrowing costs) incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

### 1.25 Mines Restoration Expenditure

The Group provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses is incurred on an on going basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

## Other Policies relating to Insurance Business

### 1.26 Reinsurance Ceded

Reinsurance cost in respect of proportional reinsurance ceded, is accrued at policy inception. Non proportional reinsurance cost is recognised when incurred and due. Any subsequent revisions to refunds or cancellations of premiums are recognised in the year in which they occur.

### 1.27 Reinsurance Accepted

Reinsurance inward acceptances are accounted for on the basis of returns / intimations, to the extent received, from the insurers.

### 1.28 Claims Incurred

Claims are recognised as and when reported based on information from Surveyors / insured / Brokers. Claims paid (net of reinsurance recoveries) are charged to the respective revenue account. Provision is made for estimated value of claims outstanding as at the Balance Sheet date net of reinsurance recoveries. Reserve is maintained for each claim which at all times reflects the amount likely to be paid on each claim, as anticipated and estimated by the management in the light of past experience and subsequently modified for changes, as appropriate. Amounts received / receivable from the reinsurers / coinsurers under the terms of the reinsurance and coinsurance arrangements respectively, are recognised together with the recognition of claim.

### 1.29 IBNR (Claims incurred but not reported) and IBNER (Claims incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of current accounting year but not have been reported or claimed. The IBNR provision also includes provision if any required for claims incurred but not enough reported. The IBNR (including IBNER) is determined based on the actuarial principles by the Appointed Actuary.

### 1.30 Reserve for Unexpired Risk

Reserve for unexpired risk represents that part of net premium (net of proportional reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and 50% in case of other businesses based on net premium written during the year as required under Section 64V(1)(ii)(b) of the Insurance Act, 1938.

## 2 Share Capital

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Authorised :</b>		
50,50,00,000 Equity shares of ₹ 10/- each (Previous year : 50,50,00,000 Equity shares of ₹10/- each)	<b>505.00</b>	505.00
2,00,00,000 Preference shares of ₹ 10/- each (Previous year : 2,00,00,000 Preference shares of ₹10/- each)	<b>20.00</b>	20.00
<b>TOTAL</b>	<b>525.00</b>	525.00
<b>Issued, Subscribed and Paid-up :</b>		
50,33,56,580 Equity shares of ₹ 10/- each fully paid-up (Previous year : 50,33,56,580 Equity shares of ₹ 10/- each)	<b>503.36</b>	503.36
<b>TOTAL</b>	<b>503.36</b>	503.36

### Additional Informations :

#### (a) Reconciliation of number of equity shares outstanding

Particulars	As at 31-03-2015	As at 31-03-2014
At the beginning of the year	<b>50,33,56,580</b>	50,33,56,580
At the end of the year	<b>50,33,56,580</b>	50,33,56,580

#### (b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

- (c) Pursuant to scheme of amalgamation of erstwhile H. & R. Johnson (India) Limited and RMC Readymix (India) Private Limited with the Company during the year 2009-10, 1,23,51,600 equity shares of the Company were issued to Prism Trust for the benefit of the Company. These shares were sold during the year.

#### (d) Details of Shareholders holding more than 5% of the issued shares

Name of the Shareholder	As at 31-03-2015		As at 31-03-2014	
	Total shares held	As a % of total shares	Total shares held	As a % of total shares
Manali Investment & Finance Private Limited	<b>6,78,17,992</b>	<b>13.47%</b>	6,78,17,992	13.47%
Hathway Investments Private Limited	<b>6,41,13,400</b>	<b>12.74%</b>	6,41,13,400	12.74%
Coronet Investments Private Limited	<b>5,79,49,394</b>	<b>11.51%</b>	5,79,49,394	11.51%
Rajan B. Raheja	<b>5,14,06,327</b>	<b>10.21%</b>	5,14,02,627	10.21%
Bloomingdale Investment & Finance Private Limited	<b>3,12,89,300</b>	<b>6.22%</b>	3,12,89,300	6.22%

### 3 Reserves and Surplus

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Capital Redemption Reserve</b>	<b>11.43</b>	11.43
<b>Capital Reserve</b>	<b>0.08</b>	-
<b>Debenture Redemption Reserve</b>		
Opening Balance	<b>54.28</b>	62.69
Add / (Less) : Transferred (to) / from Statement of Profit and Loss	<b>(11.75)</b>	(8.41)
Closing Balance	<b>42.53</b>	54.28
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	-	1.75
Add / (Less) : Adjustment during the year	-	(1.75)
Closing Balance	-	-
<b>State Cash Subsidy</b>	<b>0.63</b>	0.63
<b>General Reserve</b>	<b>193.24</b>	193.24
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	<b>295.88</b>	375.52
Add : Net Profit / (Loss) of the Group for the current year	<b>2.62</b>	(86.20)
Add / (Less) : Balance transferred due to amalgamation	-	(1.84)
Less : Adjustment relating to transitional provision contained in Schedule II (Refer Note 36)	<b>7.87</b>	-
Less : Distribution Tax on Dividend	<b>0.01</b>	0.01
Add : Adjustment on account of first time consolidation of step-down entities (refer Note 1.1 (f))	<b>0.69</b>	-
Add : Transferred from / (to) Debenture Redemption Reserve	<b>11.75</b>	8.41
Closing Balance	<b>303.06</b>	295.88
<b>TOTAL</b>	<b>550.97</b>	555.46

### 4 Long-term Borrowings

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Secured Debentures / Bonds :</b>		
- 9.30% Non-convertible Debentures (refer Sr. No. 9) { 35 Nos. (previous year : 70 Nos.) debentures of ₹ 1.00 crore each }	<b>35.00</b>	70.00
- 0.75% + SBI Base rate Non-convertible Debentures (refer Sr. No. 5) # { 1000 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>100.00</b>	-
- 11.00% Non-convertible Debentures (refer Sr. No. 4) # { 500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>50.00</b>	-
- 11.20% Non-convertible Debentures { - Nos. (previous year : 750 Nos.) debentures of ₹ 0.10 crore each }	-	75.00
- 11.25% Non-convertible Debentures (refer Sr. No. 8) { 1500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	<b>150.00</b>	-

### Long-term Borrowings (Contd.)

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
- 11.25% Non-convertible Debentures (refer Sr. No. 1) # { 1500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	150.00	-
- Non-convertible Debentures ( Zero Coupon with yield-to-maturity) (refer Sr. No. 3) # { 500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	50.00	-
- 11.60% Non-convertible Debentures {- Nos. (previous year : 500 Nos.) debentures of ₹ 0.10 crore each }	-	50.00
- 11.70% Non-convertible Debentures (refer Sr. No. 2) { 1000 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	100.00	-
- 11.80% Non-convertible Debentures (refer Sr. No. 10) { 300 Nos. (previous year : 300 Nos.) debentures of ₹ 0.10 crore each }	30.00	30.00
- 12.65% Non-convertible Debentures- Series A (refer Sr. No. 7) { 1000 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	100.00	-
- 12.65% Non-convertible Debentures- Series B (refer Sr. No. 6) { 500 Nos. (previous year : Nil) debentures of ₹ 0.10 crore each }	50.00	-
	<b>815.00</b>	225.00
<b>Secured Loans :</b>		
<b>Term Loan</b>		
- From Banks (refer Sr. No. 11 to 18, 22, 26, 27, 29, 31, 32, 34, 37 to 42) @	667.24	936.67
- From Bank (FCNR) (refer Sr. No. 20 & 23) #	99.91	-
- From NBFC (refer Sr. No. 28, 35 & 36)	150.05	141.92
<b>Vehicle Loans</b>		
- From Banks (refer Sr. No. 19, 21, 30 & 43)	2.57	1.47
- From Others (refer Sr. No. 24, 25 & 33)	0.31	1.72
Buyer's Credit	-	13.26
From others	-	250.00
Sales Tax Deferral	-	0.66
	<b>920.08</b>	1,345.70
<b>Unsecured Loans :</b>		
- Buyer's Credit from banks (refer Sr. No. 48)	1.91	23.23
- Inter Corporate Deposits (refer Sr. No. 47)	0.17	8.17
- 10.42% Non-convertible Debentures (refer Sr. No. 44) { 150 Nos. (previous year : 150 Nos.) debentures of ₹ 0.10 crore each }	15.00	15.00
- 10.00% Non-convertible Debentures {- Nos. (previous year : 150 Nos.) debentures of ₹ 0.10 crore each }	-	15.00
- Finance Lease obligation (refer Sr. No. 45)	1.09	2.09
- Fixed Deposits from Public (refer Sr. No. 46)	37.14	140.58
	<b>55.31</b>	204.07
	<b>1,790.39</b>	1,774.77
Less : Disclosed under Other Current Liabilities		
- Current maturities of long-term Borrowings	150.46	326.08
- Unclaimed Fixed Deposits	1.42	0.90
	<b>151.88</b>	326.98
<b>TOTAL</b>	<b>1,638.51</b>	1,447.79

@ FY 2014-15, a sum of ₹ 10.74 Crores borrowed by joint venture company's has been guaranteed by the directors of the said joint venture Company's in their personal capacity.

# creation of charge is in process.

## Long-term Borrowings (Contd.)

## Details of Loans

## A. Secured Debentures

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
1	Secured by first <i>pari passu</i> charge on all the movable and immovable Fixed Assets of the Cement Division, both present and future	150.00	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put / Call option at par on January 19, 2018; July 20, 2018; January 21, 2019; July 19, 2019
2	Secured by first <i>pari passu</i> charge on all the movable and immovable Fixed Assets of the Cement Division, both present and future	100.00	Allotted on November 26, 2014 and repayable on November 25, 2019 with Put / Call option at par on November 26, 2017 and November 26, 2018
3	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movables Fixed Assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	50.00	Allotted on January 21, 2015 and repayable on April 26, 2018 with Put / Call option at par on April 26, 2017
4	Secured by first <i>pari passu</i> charge on all the movable and immovable Fixed Assets of the Cement Division, both present and future	50.00	Allotted on February 03, 2015 and repayable on April 25, 2018
5	Secured by first <i>pari passu</i> charge on all the movable and immovable Fixed Assets of the Cement Division, both present and future	100.00	Allotted on February 20, 2015 and repayable on February 19, 2018 with Put / Call option at par on May 19, 2016; February 19, 2017; May 19, 2017; August 19, 2017; November 19, 2017
6	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movables Fixed Assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	50.00	Allotted on July 22, 2014 and repayable on July 22, 2017
7	Secured by first <i>pari passu</i> charge on all the movable and immovable Fixed Assets of the Cement Division, both present and future	100.00	Allotted on July 22, 2014 and repayable on July 22, 2017
8	Secured by first <i>pari passu</i> charge on all the movable and immovable Fixed Assets of the Cement Division, both present and future	150.00	Allotted on August 20, 2014 and ₹ 55 Crores repayable on April 24, 2017, ₹ 40 Crores repayable on April 28, 2016, ₹ 55 Crores repayable on June 21, 2017 with Put / Call option at par on June 21, 2016
9	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movables Fixed Assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	35.00	Allotted on August 18, 2010 and repayable on August 18, 2015
10	Secured by first <i>pari passu</i> charge on entire movable Fixed Assets of RMC Division excluding assets charged exclusively to other lenders	30.00	Allotted on July 15, 2011 and repayable on July 15, 2015
	<b>TOTAL</b>	<b>815.00</b>	

### Long-term Borrowings (Contd.)

#### B. Secured Loans

##### Term Loan from Banks and Others

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
11	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	33.75	Quarterly in equal instalments payable over a period of four years including moratorium period from the date of facility availed on October, 12, 2012
12	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	15.00	Quarterly in equal instalments payable over a period of four years including moratorium period from the date of facility availed on October, 12, 2012
13	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	87.50	Quarterly in equal instalments payable over a period of five years including moratorium period from the date of facility availed on December 24, 2012
14	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	47.50	Quarterly in equal instalments payable over a period of seven years including moratorium period from the date of facility availed on November 23, 2013
15	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	135.00	Quarterly in equal instalments payable over a period of seven years including moratorium period from the date of facility availed on September 28, 2013
16	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	137.50	Quarterly in equal instalments payable over a period of six years including moratorium period from the date of facility availed on November 1, 2013
17	Secured by first <i>pari passu</i> charge on movable and immovable Fixed Assets of the Cement Division, both present and future	100.00	Quarterly in equal instalments payable over a period of four years commencing after moratorium period of two years from the date of facility availed on April 3, 2013
18	First exclusive charge on the office premises of HRJ Division on units 1 to 4 on 7th Floor, Windsor Building & subservient charge on the movable Fixed Assets of HRJ Division	87.50	Quarterly instalments payable over a period of Five years; ₹ 6.25 Crores each per quarter from November 14, 2014
19	Secured by Exclusive charge on vehicles of HRJ Division together with all accessories & addition to or in the vehicles, whether present or future	2.35	EMI over a period of 60 months from the respective date of disbursement
20	Secured by first <i>pari passu</i> charge by way of hypothecation of all the movables Fixed Assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future	35.97	Quarterly instalments payable over a period of three years; 8 equal Quarterly instalments from June 26, 2016
21	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division	0.04	EMI over a period of five years from December 31, 2011
22	Secured by first <i>pari passu</i> charge on entire movable Fixed Assets of RMC Division excluding assets charged exclusively to other lenders	5.00	Quarterly in equal instalments payable over a period of three years from the date of facility availed on August 21, 2012
23	Secured by first <i>pari passu</i> charge on entire movable Fixed Assets of RMC Division excluding assets charged exclusively to other lenders	63.94	Quarterly in equal instalments payable over a period of three years with one year moratorium from the date of facility availed on March 26, 2015

## Long-term Borrowings (Contd.)

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
24	Secured by first charge on vehicles of Cement Division together with all accessories & addition to or in the vehicles, whether present or future	0.11	EMI over a period of five years from the respective date of disbursement
25	Secured by hypothecation of Vehicles of a Joint Venture Company	0.14	Repayable in 60 months from the respective date of disbursement
26	Secured by exclusive hypothecation charge over Plant & Machinery purchased out of Bank Finance & <i>pari passu</i> second charge over Fixed Assets of a Joint Venture Company and Personal Guarantee of Directors of a Joint Venture Company	5.34	Repayable in 12 Quarterly instalments from April 2012
27	Secured against hypothecation of First charge of Land, Building and Plant & Machinery of a Joint Venture Company	0.06	Repayable in 20 quarterly instalments starting from July 15, 2010
28	Secured by hypothecation of Assets of a Joint Venture Company	0.05	Repayable in 24 Monthly instalments from July 2014
29	Secured against hypothecation of Plant & Machinery and other fixed assets further secured by way of equitable mortgage of industrial plot of a subsidiary Company	2.10	Repayable in three years from February 28, 2014
30	Secured against hypothecation of Vehicle of a Subsidiary Company	0.03	Repayable in 60 monthly EMI from November 6, 2012
31	Secured by first <i>pari passu</i> charge on Fixed Assets and second <i>pari passu</i> charge on Current Assets of the Joint Venture Company and further secured by personal guarantee of one Director of a Joint Venture Company	4.39	Repayable in Quarterly instalments starting from March 2014 to March 2017
32	Secured by first <i>pari passu</i> charge on Fixed Assets and second <i>pari passu</i> charge on Current Assets of the Joint Venture Company and further secured by personal guarantee of Director of a Joint Venture Company	1.01	Repayable in 8 Quarterly instalments starting from June 2015
33	Secured by way of hypothecation of the respective assets covered under the agreement of a Joint Venture Company	0.06	Repayable within three years in equal monthly instalments from October 15, 2014
34	Secured by equitable mortgage of Land and Buildings and first <i>pari passu</i> charge on the existing & future Fixed Assets (movable or immovable) owned by a Subsidiary Company and second <i>pari passu</i> charge on Current Assets of a Subsidiary Company	1.54	Payable within five years in equal monthly instalments commencing from August 2010
35	First <i>pari passu</i> charge on all Fixed Assets and Corporate Guarantee of Prism Cement Limited	75.00	Payment terms in 16 equal quarterly instalments commencing from March 2017
36	First <i>pari passu</i> charge on all Fixed Assets of a Subsidiary Company	75.00	Payment terms in 16 equal quarterly instalments commencing from January 2016
37	Hypothecation of entire Plant and Machinery and all other Fixed Assets of a Joint Venture Company (Present and Future)	1.82	The Term loan will be repaid in 94 months including moratorium period of 12 months. Repayment started from June 2012

### Long-term Borrowings (Contd.)

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
38	Hypothecation of entire Plant and Machinery and all other Fixed Assets of a Joint Venture Company (Present & Future)	0.21	The Term loan will be repaid in 66 months including moratorium period of 6 months. Repayment started from January 2013
39	Hypothecation of entire Plant and Machinery and all other Fixed Assets of a Joint Venture Company (Present & Future)	0.88	The Term loan will be repaid in 72 months including moratorium period of 12 months. Repayment started from April 2013
40	Hypothecation of entire Plant and Machinery and all other Fixed Assets of a Joint Venture Company (Present & Future)	0.49	The Term loan will be repaid in 72 months including moratorium period of 6 months. Repayment started from October 2012
41	Hypothecation of entire Plant and Machinery and all other Fixed Assets of a Joint Venture Company (Present & Future)	0.30	The Term loan will be repaid in 20 quarterly instalment of ₹ 7.50 Lacs starting from 30th April 2012
42	Hypothecation of entire Plant and Machinery and all other Fixed Assets of the Joint Venture Company (Present & Future)	0.35	The Term loan will be repaid in 12 quarterly instalment of ₹ 12.50 Lacs starting from first October 2013
43	Secured by hypothecation of vehicle of a Subsidiary Company	0.15	Repayable on Demand
	<b>TOTAL</b>	<b>920.08</b>	

### C. Unsecured Loans

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
44	Non-convertible Debentures	15.00	Allotted on September 17, 2010 and repayable at the end of fifth year
45	Finance Lease obligation	1.09	Payable over a period of three years from May 2013
46	Fixed Deposits	37.14	Payable over a period of one to two years
47	Other - Inter Corporate Loan	0.17	5 years from April 01, 2011
48	Buyer's Credit	1.91	As per due dates of respective Buyer's Credit
	<b>TOTAL</b>	<b>55.31</b>	

### 5 The break-up of Net Deferred Tax is as follows :

#### (a) The break-up of Net Deferred Tax Liability (DTL) is as follows :

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation as per Income Tax	182.85	149.58
Expenses provided but allowable in Income Tax on payment	21.33	22.59
Other timing differences	(5.52)	2.10
<b>TOTAL (A)</b>	<b>198.66</b>	174.27
<b>Deferred Tax Liability</b>		
Fixed Assets : Impact of difference between tax depreciation & depreciation provided	228.49	230.55
<b>TOTAL (B)</b>	<b>228.49</b>	230.55
<b>Net Deferred Tax Liability (B – A)</b>	<b>29.83</b>	56.28

**(b) The break-up of Net Deferred Tax Asset (DTA) is as follows :**

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Deferred Tax Assets</b>		
Expenses provided but allowable in Income Tax on payment	0.66	0.50
Carry forward business losses	31.80	35.19
<b>TOTAL (A)</b>	<b>32.46</b>	35.69
<b>Deferred Tax Liability</b>		
Fixed Assets : Impact of difference between tax depreciation & depreciation provided	21.11	24.48
<b>TOTAL (B)</b>	<b>21.11</b>	24.48
<b>Net Deferred Tax Asset (A – B)</b>	<b>11.35</b>	11.21

**6 Other Long Term Liabilities**

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Security deposit from customers / others	143.14	114.56
Deferred Income	0.71	0.70
Other liabilities	3.32	3.11
<b>TOTAL</b>	<b>147.17</b>	<b>118.37</b>

**7 Long Term Provisions**

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
For Employees' benefit	15.43	17.27
For Reserve for Unexpired Risk	6.10	6.90
For IBNR	4.34	4.76
For Statutory dues & Others	23.38	17.00
<b>TOTAL</b>	<b>49.25</b>	<b>45.93</b>

**8 Short Term Borrowings**

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Secured Loans :</b>		
<b>Loans repayable to banks</b>		
On Demand (refer Sr. No. 49, 50, 53 to 57 & 60 to 69) @	158.34	252.37
Buyer's Credit (refer Sr. No. 51, 52, 58 & 59)	43.45	37.52
<b>Unsecured Loans :</b>		
From Banks	75.56	40.05
Commercial Papers {Maximum balance outstanding during the year ₹125 Crores (Previous year : ₹ Nil)}	100.00	-
Others	69.91	0.57
<b>TOTAL</b>	<b>447.26</b>	330.51

@ FY 2014-15, a sum of ₹ 49.36 Crores borrowed by joint venture company's has been guaranteed by the directors of the said joint venture Company's in their personal capacity.

### Details of Secured Loans

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
49	Secured by first <i>pari passu</i> charge on the entire current assets both present and future of the Cement Division	15.43	On Demand
50	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts & both present and future of HRJ Division	46.42	Payable within one year
51	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts & both present and future of HRJ Division	7.10	As per due dates of respective Buyer's Credit
52	Secured by subservient charge on all moveable Fixed Assets of HRJ Division located at Pen, Kunigal and Dewas	30.69	As per due dates of respective Buyer's Credit
53	Secured by exclusive charge by way of hypothecation of current assets of a Joint Venture Company	2.14	On Demand
54	Secured by <i>pari passu</i> first charge by hypothecation of stocks and book debts and <i>pari passu</i> second charge over Fixed Assets of a Joint Venture Company and personal guarantees of three directors of a Joint Venture Company	27.36	On Demand
55	Secured by way of hypothecation of stocks and book debts and collaterally secured by way residual value of movable and immovable assets of a Subsidiary Company	9.81	On Demand
56	Secured by first <i>pari passu</i> charge on Current Assets and second <i>pari passu</i> charge on Fixed Assets of a Joint Venture Company and further secured by personal guarantee of one Director of a Joint Venture Company	10.64	On Demand
57	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts & second <i>pari passu</i> charge on the assets by way of mortgage and hypothecation in respect of those assets which are first charged to Term Loan lenders of the Subsidiary Company	30.72	On Demand
58	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts of a Subsidiary Company & second <i>pari passu</i> charge on the assets of a Subsidiary Company by way of mortgage and hypothecation in respect of those assets which are first charged to Term Loan lenders	0.20	As per due dates of respective buyer's credit

Sr. No.	Security	As at 31-03-2015 ₹ Crores	Repayment Terms
59	Secured by 100% cash margin in the form of Deposits of a Subsidiary Company	5.46	As per due dates of respective Buyer's Credit
60	Secured by first pari- passu charge on the entire current assets both present and future of a Joint Venture Company	5.47	On Demand
61	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts & both present and future of a Joint Venture Company		
62	Secured by personal guarantee of all the directors of a Joint Venture Company		
63	Secured by first pari- passu charge on the entire current assets both present and future of a Joint Venture Company		
64	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts & both present and future of a Joint Venture Company		
65	Secured by personal guarantee of all the directors of a Joint Venture Company	5.89	On Demand
66	Secured by first pari- passu charge on the entire current assets both present and future of a Joint Venture Company		
67	Secured by first <i>pari passu</i> charge by way of hypothecation of stocks and book debts & both present and future of a Joint Venture Company		
68	Secured by personal guarantee of the all directors of a Joint Venture Company	4.46	On Demand
69	Secured by hypothecation of Stocks & Book Debts of a Subsidiary Company		
	<b>TOTAL</b>	<b>201.79</b>	

## 9 Trade Payables

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Dues to Micro, Small and Medium Enterprises (Due for 30 days or less)	0.24	0.56
Dues to Others	783.99	718.35
<b>TOTAL</b>	<b>784.23</b>	<b>718.91</b>

## 10 Other Current Liabilities

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Current maturities of long-term borrowings (refer Note 10(a) below)	150.46	326.08
Creditors for capital items	39.39	46.33
Advance from Customers	49.73	68.24
Interest accrued but not due	37.48	3.76
Interest payable	1.93	1.41
Unclaimed Dividends	2.78	3.76
Unclaimed matured deposits and interest accrued thereon (includes interest ₹ 0.38 Crores (Previous year : ₹ 0.24 Crores))	1.80	1.14
Other Employees Benefit	14.33	15.84
Statutory Liabilities	49.68	55.36
Liability for expenses	259.99	233.39
Other Liabilities	6.18	6.45
<b>TOTAL</b>	<b>613.75</b>	<b>761.76</b>

### 10(a) Break-up of Current maturities of long-term borrowings

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Secured Loan :</b>		
Non-convertible Debentures	65.00	160.00
Term Loan	45.59	101.65
Vehicle Loan	0.94	1.27
Sales Tax Deferral	–	0.65
Buyer's Credit	–	7.10
	<b>111.53</b>	<b>270.67</b>
<b>Unsecured Loan :</b>		
Non-convertible Debentures	15.00	15.00
Buyer's Credit	1.91	23.23
Fixed Deposits	22.02	17.18
	<b>38.93</b>	<b>55.41</b>
<b>TOTAL</b>	<b>150.46</b>	<b>326.08</b>

## 11 Short term Provisions

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
For Employees' benefit	19.55	12.33
For Taxation	1.64	0.62
For Distribution tax on dividend	0.01	0.01
For Reserve for Unexpired Risk	10.81	9.12
For IBNR	5.18	4.18
Others	2.69	1.01
<b>TOTAL</b>	<b>39.88</b>	<b>27.27</b>

12 FIXED ASSETS

DESCRIPTORS	GROSS BLOCK						DEPRECIATION AND AMORTISATION						NET BLOCK	
	Opening Block	Acquisitions Additions	Consolidation adjustments (Refer Note 1.1(f))	Additions	Deductions	Closing Block	Opening Balance	Acquisitions Additions	Consolidation adjustments (Refer Note 1.1(f))	Adjustments (Refer Note 36)	For the year	Deductions		Closing Balance
<b>Tangible Assets :</b>														
Land - Freehold	2014-15 2013-14	393.32 285.57	- 1.99	2.42 -	57.76 105.76	1.99 -	451.51 393.32	6.27 3.01	- -	- -	2.90 3.26	- -	9.17 6.27	442.34 387.05
- Leasehold	2014-15 2013-14	8.04 15.04	- -	- -	0.36 -	- 7.00	8.40 8.04	3.38 3.15	- -	- -	0.38 0.33	- 0.10	3.76 3.38	4.64 4.66
Leasehold Improvement	2014-15 2013-14	6.51 5.54	- 0.20	- -	1.11 -	- 0.23	7.62 6.51	2.89 2.09	- 0.05	- -	0.87 0.97	- 0.22	3.76 2.89	3.86 3.62
Buildings	2014-15 2013-14	351.47 331.59	- 3.86	3.41 -	8.08 16.84	4.90 0.82	358.06 351.47	109.69 95.66	- 0.15	0.09 -	15.48 14.70	4.12 0.82	125.06 109.69	233.00 241.78
Railway siding	2014-15 2013-14	16.27 13.30	- -	- -	- 2.97	- -	16.27 16.27	11.54 10.87	- -	1.13 -	0.18 0.67	- -	12.85 11.54	3.42 4.73
Plant and Machinery	2014-15 2013-14	2,732.19 2,596.87	- 15.24	1.70 -	39.93 131.90	20.95 11.82	2,752.87 2,732.19	1,161.29 1,022.91	- 0.59	0.38 -	93.11 142.00	9.16 4.21	1,247.08 1,161.29	1,505.79 1,570.90
Plant and Machinery-Finance Lease	2014-15 2013-14	2.71 -	- -	- -	- 2.71	- -	2.71 2.71	0.18 -	- -	- -	0.10 0.18	- -	0.28 0.18	2.43 2.53
Mines Development	2014-15 2013-14	136.04 87.80	- -	- -	27.25 48.24	19.11 -	144.18 136.04	35.95 18.29	- -	- -	23.76 17.66	0.01 -	59.70 35.95	84.48 100.09
Furniture & Fixtures	2014-15 2013-14	67.33 64.40	- 0.12	0.22 -	2.16 3.00	0.14 0.19	69.57 67.33	32.28 28.59	- 0.03	0.10 -	7.71 3.77	0.08 0.11	41.42 32.28	28.15 35.05
Computers	2014-15 2013-14	27.90 26.29	- 0.05	- -	3.01 1.80	0.29 0.24	30.62 27.90	21.77 19.49	- 0.01	- -	3.10 2.42	0.23 0.15	25.81 21.77	4.81 6.13
Vehicles	2014-15 2013-14	22.02 22.21	- -	0.07 -	4.49 3.63	2.99 3.82	23.59 22.02	9.59 8.97	- -	0.01 -	3.63 2.64	1.39 2.02	11.90 9.59	11.69 12.43
Office Equipments	2014-15 2013-14	19.01 17.60	- 0.03	0.13 -	1.61 1.50	0.12 0.12	20.63 19.01	7.47 6.41	- 0.01	0.12 -	3.90 1.11	0.09 0.06	14.13 7.47	6.50 11.54
Truck Mixers, Loaders and Truck Dumpers	2014-15 2013-14	64.67 66.17	- -	- -	- -	1.76 1.50	62.91 64.67	49.22 44.23	- -	- -	5.40 6.49	1.71 1.50	52.91 49.22	10.00 15.45
Live Stock	2014-15 2013-14	0.04 0.05	- -	- -	- -	0.01 0.01	0.03 0.04	0.04 0.05	- -	- -	- -	0.01 0.01	0.03 0.04	- -
<b>Total Tangible Assets</b>	2014-15 2013-14	3,847.52 3,532.43	- 21.49	7.95 -	145.76 319.35	52.26 25.75	3,948.97 3,847.52	1,451.56 1,263.72	- 0.84	0.70 -	11.88 196.20	16.80 9.20	1,607.86 1,451.56	2,341.11 2,395.96

₹ Crores

## FIXED ASSETS (Contd.)

DESCRIPTORS	GROSS BLOCK					DEPRECIATION AND AMORTISATION					NET BLOCK			
	Opening Block	Acquisitions Additions	Consolidation adjustments (refer Note 1.1(f))	Additions	Deductions	Closing Block	Opening Balance	Acquisitions Additions	Consolidation adjustments (refer Note 1.1(f))	Adjustments (refer Note 36)	For the year	Deductions	Closing Balance	As at year end
<b>Intangible Assets :</b>														
Software	2014-15 2013-14	22.75 18.73	- 0.05	- 3.98	- 0.01	25.75 22.75	13.29 10.91	- 0.01	- -	0.03 -	2.18 2.37	- -	15.50 13.29	10.25 9.46
Intellectual Property Rights	2014-15 2013-14	5.87 5.87	- -	- -	- -	5.87 5.87	3.52 2.94	- -	- -	- -	0.58 0.59	- -	4.10 3.52	1.77 2.35
Mining Lease - surface rights	2014-15 2013-14	19.60 11.44	- -	- 8.16	- -	11.44 19.60	2.80 2.40	- -	- -	- -	0.67 0.40	0.28 -	3.19 2.80	8.25 16.80
Minerals Procurement Rights	2014-15 2013-14	6.55 6.55	- -	- -	- -	6.55 6.55	3.05 1.85	- -	- -	- -	1.22 1.20	- -	4.27 3.05	2.28 3.50
Technical Know-how	2014-15 2013-14	0.23 0.23	- -	- -	- -	0.23 0.23	0.06 0.03	- -	- -	- -	0.03 0.03	- -	0.09 0.06	0.14 0.17
<b>Total Intangible Assets</b>	2014-15 2013-14	55.00 42.82	- 0.05	- 12.14	- 0.01	49.84 55.00	22.72 18.13	- 0.01	- -	0.03 -	4.68 4.59	0.28 -	27.15 22.72	22.69 32.28
<b>Total Fixed Assets</b>	2014-15 2013-14	3,902.52 3,575.25	- 21.54	7.95 331.49	60.42 25.76	3,998.81 3,902.52	1,474.28 1,281.85	- 0.85	0.70 -	11.91 -	165.20 200.79	17.08 9.20	1,635.01 1,474.28	2,363.80 2,428.24

Notes :

- Depreciation for the year includes ₹ 0.34 Crores (Previous year : ₹ 0.36 Crores) considered for capitalisation.
- Gross block of fixed assets includes dedicated electricity lines costing ₹ 26.61 Crores (Previous year : ₹ 26.61 Crores) the ownership of which is with Madhya Pradesh Poorv Kshetra Vitaran Company Limited.
- Gain of ₹ 0.26 Crores (Previous year Loss : ₹ 11.36 Crores) arising on account of exchange difference on long term foreign currency borrowings, utilised for purchase of fixed assets has been capitalised and included in "Additions".
- Freehold land of ₹ Nil (Previous year : ₹ 0.22 Crores) was classified earlier as leasehold land. The same has been rectified during the year. Further, depreciation of ₹ Nil (Previous year : ₹ 0.07 Crores) is written back due to the said re-classification.
- Depreciation on Building and Plant & Machinery includes impairment loss of ₹ 0.59 Crores (Previous year : ₹ Nil) and ₹ 0.07 Crores (Previous year : ₹ Nil) respectively.
- Amortisation incase of Freehold Land represent amortisation of mining reserve on extraction basis.
- Remaining life of Intangible assets

Assets	Remaining useful life of the Assets		
	0 - 5 Years	6 - 10 Years	22 - 27 Years
Software	2.78	7.47	-
Intellectual Property Rights	1.77	-	-
Mining Lease - Surface Rights	-	-	8.25
Minerals Procurement Rights	2.28	-	-
Technical Know-how	0.14	-	-
<b>TOTAL</b>	<b>6.97</b>	<b>7.47</b>	<b>8.25</b>

## 13 Non-current Investments

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Long Term Investment</b>		
<b>Quoted :</b>		
Fully Paid / Ordinary / Equity Shares :		
- Prism Trust (includes Nil (Previous year : 1,23,51,600) own shares held for the benefit of the Company)	-	24.05
<b>Unquoted :</b>		
- Fully Paid / Ordinary / Equity Shares	0.31	6.84
- Government Securities and Government Bonds	14.96	29.79
- Debentures / Bonds	65.60	30.48
- Infrastructure and Social Sector	50.52	20.08
- Investment in Associate Company (refer Note 1.1) (4,900 fully paid share of ₹ 10/- each of Prism Power and Infrastructure Private Limited)	#	#
- Others	0.10	-
	<b>131.49</b>	<b>111.24</b>

Aggregate market value of the quoted investments ₹ Nil (Previous year : ₹ 47.12 Crores)

# Amount less than ₹ 50,000/-

## 14 Long-term Loans and Advances

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Considered Good unless otherwise stated</b>		
<b>Security Deposits</b>		
Unsecured	62.66	50.77
Considered doubtful	0.22	0.20
Less : Provision for doubtful deposits	0.22	0.20
	<b>62.66</b>	<b>50.77</b>
<b>Capital Advances</b>		
Unsecured	65.15	33.21
<b>Loans and Advances to related parties</b>		
Unsecured, Considered Good	7.84	9.04
<b>Deposits with Statutory Authorities (net of provisions)</b>		
Excise / VAT / Service Tax / Custom Duty deposited under protest	4.78	6.18
<b>Other Loans and Advances</b>		
Unsecured	32.38	31.86
Income Tax (net of provision)	2.22	1.03
Prepaid expenses	11.69	16.87
	<b>46.29</b>	<b>49.76</b>
<b>TOTAL</b>	<b>186.72</b>	<b>148.96</b>

### 15 Other Non-current Assets

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Escrow Balances with Banks	0.05		0.05	
VAT Subsidy recoverable	59.35		56.35	
Bank Deposits with more than twelve months maturity :				
Margin Money	0.46		0.62	
Term Deposits	10.00		-	
Term Deposits (restricted use)	0.05	10.51	0.33	0.95
Others	19.41		20.83	
<b>TOTAL</b>	<b>89.32</b>		<b>78.18</b>	

### 16 Current Investments

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Unquoted :				
- Government Securities and Government Bonds	63.29		48.52	
- Debentures, Bonds & Certificate of Deposits	14.99		47.70	
- Infrastructure and Social Sector	-		10.03	
- Mutual Funds	7.81	86.09	8.36	114.61
<b>TOTAL</b>	<b>86.09</b>		<b>114.61</b>	

### 17 Inventories

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Raw Materials	121.76		120.63	
- Stock in transit	4.06	125.82	0.05	120.68
Fuel	136.23		58.50	
- Stock in transit	3.67	139.90	-	58.50
Stores and Spares	125.86		101.54	
- Stock in transit	-	125.86	-	101.54
Work-in-progress	39.82		80.82	
Stock of traded goods	79.94		59.87	
- Stock in transit	5.41	85.35	8.29	68.16
Finished goods	185.21		139.12	
- Stock in transit	11.55	196.76	5.60	144.72
<b>TOTAL</b>	<b>713.51</b>		<b>574.42</b>	

**18 Trade Receivables**

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>Secured - Considered Good :</b>				
Over six months due	2.21		2.43	
Others due	36.51	38.72	34.16	36.59
<b>Unsecured - Considered Good :</b>				
Over six months due	35.88		31.69	
Others due	508.29	544.17	463.03	494.72
<b>Unsecured - Considered Doubtful</b>				
Over six months due	46.32		33.46	
Others due	3.06		4.35	
Less : Provision for doubtful debts	49.38	-	37.81	-
<b>TOTAL</b>	<b>582.89</b>		<b>531.31</b>	

**19 Cash, Cash Equivalent and Bank Balances****19.1 Cash and cash equivalents**

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Cash in hand	1.81		1.39	
Cheques, drafts on hand	4.49		14.91	
Balances with banks in current accounts	62.77		27.34	
Term Deposits with banks (original maturity of less than three months) (restricted use)	9.06		1.01	
<b>TOTAL (A)</b>	<b>78.13</b>		<b>44.65</b>	

**19.2 Other Bank Balances**

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Balances with banks	11.79		7.74	
Margin money with banks (Maturity more than three months but less than twelve months)	36.90		54.56	
Unclaimed Dividend Accounts	2.78		3.76	
<b>TOTAL (B)</b>	<b>51.47</b>		<b>66.06</b>	
<b>TOTAL (A+B)</b>	<b>129.60</b>		<b>110.71</b>	

## 20 Short-term Loans and Advances

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Considered good unless otherwise stated</b>		
Deposits	2.70	0.67
Deposits - Considered Doubtful	0.16	0.13
Less : Provision for Doubtful Deposits	(0.16)	(0.13)
Inter Corporate Deposits	-	0.84
Income tax (net of provisions)	52.86	57.35
VAT / Service Tax recoverable	27.20	34.16
Prepaid Expenses	15.36	17.86
Custom Duty receivable	0.37	0.37
Balances with Excise and Customs	16.18	28.22
Others	104.04	80.25
<b>TOTAL</b>	<b>218.71</b>	<b>219.72</b>

## 21 Other Current Assets

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Insurance Claim Receivable	65.14	67.12
VAT Subsidy Recoverable	101.52	102.54
Balances related to Coal Mine & Infrastructure (refer note 34)	29.70	-
Others	30.65	12.82
<b>TOTAL</b>	<b>227.01</b>	<b>182.48</b>

## 22 Other Operating Income

Particulars	2014 - 2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Sale of Scrap	8.92	9.78
Investment income of Insurance business	20.48	19.45
Claims & Recoveries	6.54	3.48
Others	14.97	13.81
<b>TOTAL</b>	<b>50.91</b>	<b>46.52</b>

**23 Other Income**

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Interest income		
- Bank Fixed Deposits	1.89	1.01
- Others	9.32	6.87
Dividend income	-	11.33
Net gain on sales of investments	0.63	132.70
Gain on Exchange fluctuations	2.93	-
Other non-operating income	20.95	5.43
<b>TOTAL</b>	<b>35.72</b>	<b>157.34</b>

**24 Change in inventories**

Particulars	2014- 2015 ₹ Crores	2013- 2014 ₹ Crores
<b>Closing Stock (including in Transit)</b>		
Finished Goods	196.76	144.72
Traded Goods	85.35	68.16
Work-in-progress	39.82	321.93
<b>Less : Opening Stock (including in Transit)</b>		
Finished Goods	144.72	161.96
Traded Goods	68.16	61.31
Work-in-progress	80.82	293.70
<b>Less : Taken over on amalgamation</b>		
- Finished Goods	-	1.14
- Traded Goods	-	0.14
- Work-in-progress	-	0.36
<b>Less : Adjustments (Refer Note 1.1(f))</b>		
- Finished Goods	0.81	-
- Work-in-progress	0.05	0.86
<b>TOTAL</b>	<b>27.37</b>	<b>11.31</b>

## 25 Manufacturing Expenses

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Stores and spares consumed	106.82	113.24
Power and Fuel consumed	935.38	951.44
Plant & Machinery hire charges	91.24	92.68
Repairs to Plant & Machinery	50.84	57.62
Royalty	36.31	32.48
Sub-contract charges	53.16	69.15
Plant upkeep expenses	31.19	25.77
Quarry expenses	20.25	12.42
Die & Punches	4.82	3.89
Adjustment of excise duty on stock	5.93	1.36
Other manufacturing expenses	7.98	3.40
<b>TOTAL</b>	<b>1,343.92</b>	<b>1,363.45</b>

## 26 Employees Benefit Expenses

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Salaries, wages and bonus	339.47	308.86
Contribution to Provident and other funds	24.45	22.08
Welfare and other expenses	19.33	18.17
<b>TOTAL</b>	<b>383.25</b>	<b>349.11</b>

## 27 Finance Cost

Particulars	2014 - 2015 ₹ Crores	2013 - 2014 ₹ Crores
Interest expenses (refer Note 47(c))	272.40	258.68
Amortisation of processing fees	16.73	15.56
Finance lease Interest	0.48	0.38
<b>TOTAL</b>	<b>289.61</b>	<b>274.62</b>

## 28 Other Expenses

Particulars	2014 - 2015 ₹ Crores		2013 - 2014 ₹ Crores	
Rent	32.95		27.02	
Rates and taxes	29.97		33.72	
Travelling and communication	53.05		48.91	
Discounts, incentives and commission on sales	245.72		204.51	
Advertisement, sales promotion and other marketing expenses	83.92		54.19	
Research Expenses *	2.79		2.56	
Insurance	10.42		11.13	
Freight outward	725.87		639.31	
Loss on sale of assets	4.18		1.42	
Provision for bad and doubtful debts / deposits	11.79		10.37	
Add : Bad debts written off	2.31	14.10	2.94	13.31
Loss on exchange fluctuation	-		9.35	
Concrete pumping expenses	15.85		15.32	
Repairs to Buildings	4.40		4.12	
Repairs others	8.23		7.88	
Bank charges	5.20		5.63	
Claims paid - Insurance Business	5.42		11.46	
Commission - Insurance Business	3.62		3.78	
Miscellaneous expenses	78.50		67.91	
<b>TOTAL</b>	<b>1,324.19</b>		<b>1,161.53</b>	
<i>* Research Expenses comprises of :</i>				
Salaries & Wages	1.31		1.17	
Travelling and Communication	0.28		0.21	
Others	1.20		1.18	
<b>TOTAL</b>	<b>2.79</b>		<b>2.56</b>	

## 29 Exceptional items comprises of the following :

## Current Year :

- Transfer fees and stamp duty paid for Land at Dewas ₹ 1.88 Crores (Previous year : ₹ Nil) as per direction of Hon'ble High Court of Madhya Pradesh.
- Gain of ₹ 64 Crores (Previous year : ₹ Nil) on sale of 1,23,51,600 equity shares of the Company held through Prism Trust for the benefit of the Company.
- Loss of ₹ 1.78 Crores (Previous year : ₹ Nil) on sale of Non-operating Land of a Joint Venture of the Company.

Previous Year :

(d) Exceptional items includes reversal of provision made for amalgamation expenses ₹ 1.50 Crores and exchange gain of ₹ 7.87 Crores realised on redemption of preference shares and liquidation of equity shares of one of its erstwhile wholly owned subsidiary.

30 Provision for Current Tax includes Provision of Wealth Tax of ₹ 0.20 Crores (Previous year : ₹ 0.20 Crores).

31 Computation of Earnings Per Share (EPS) is as under :

Particulars	2014 - 2015	2013 - 2014
Profit / (Loss) after Tax excluding dividend on own shares (₹ Crores)	2.62	(86.20)
Outstanding fully paid-up Equity shares	50,33,56,580	50,33,56,580
Weighted average number of equity shares outstanding (on sale of shares held through Trust- refer Note 29(b))	50,10,21,620	49,10,04,980
Earnings Per Share (₹) – Basic & Diluted (Face value ₹ 10/- per share)	0.05	-1.76

32 The Depreciation is being provided for on straight line method except by H & R Johnson (India) TBK Limited, its Subsidiary and Joint Venture, Sentini Cermica Private Limited and Milano Bathroom Fittings Private Limited. These entities have charged depreciation on written down value method. The proportion of value of depreciation which have been charged on written down value (WDV) method is as under :

Amount of Depreciation charged on WDV basis ₹ 8.33 Crores (Previous year : ₹ 6.43 Crores).

Total Depreciation charged in Consolidated Accounts ₹164.86 Crores (Previous year : ₹ 200.36 Crores).

% of Depreciation charged on WDV basis to total Depreciation 5.05 % (Previous year : 3.21%)

33 Segment information as required by Accounting Standard - 17 on "Segment Reporting" is as follows :

2014-2015

₹ Crores

Particulars	Cement	TBK	RMC	Insurance	Unallocated	Total
<b>Revenue :</b>						
External (net of Excise)	2,200.99	2,226.78	1,204.27	39.99	-	5,672.03
Less : Inter – Segment	0.39	16.86	-	0.35	-	17.60
<b>Total Revenue</b>	2,200.60	2,209.92	1,204.27	39.64	-	5,654.43
<b>Segment Result</b>	165.05	19.15	1.60	13.40	-	199.20
Add : Unallocated Income (Net of Unallocated expenditure)						81.01
Less : Borrowing Cost (excluding bank charges)						289.61
<b>Profit / (Loss) Before Tax</b>						(9.40)
Tax expenses						(12.02)
<b>Profit / (Loss) for the year</b>						2.62

Other Information :

₹ Crores

Particulars	Cement	TBK	RMC	Insurance	Unallocated	Total
Segment Assets	2,398.68	1,726.53	405.17	268.32	55.42	4,854.12
Segment Liabilities	715.98	511.64	207.12	107.27	2,257.78	3,799.79
Capital expenditure	119.06	39.39	6.21	0.08	-	164.74
Depreciation and Amortisation	81.53	54.89	27.97	0.47	-	164.86

2013-2014

₹ Crores

Particulars	Cement	TBK	RMC	Insurance	Unallocated	Total
<b>Revenue :</b>						
External (net of Excise)	1,947.20	1,915.67	1,143.10	37.93	–	5,043.90
Less : Inter – Segment	0.13	16.90	–	0.30	–	17.33
Total Revenue	1,947.07	1,898.77	1,143.10	37.63	–	5,026.57
Segment Result	(23.57)	126.63	9.89	6.06	–	119.01
Add : Unallocated Income (Net of Unallocated expenditure)						25.38
Less : Borrowing Cost (excluding bank charges)						274.62
Profit / (Loss) Before Tax						(130.23)
Tax expenses						(44.03)
Profit / (Loss) for the year						(86.20)

Other Information :

₹ Crores

Particulars	Cement	TBK	RMC	Insurance	Unallocated	Total
Segment Assets	2,235.06	1,613.63	427.22	244.03	92.67	4,612.61
Segment Liabilities	644.15	463.37	202.36	93.36	2,150.55	3,553.79
Capital expenditure	208.58	97.05	10.40	0.20	–	316.23
Depreciation and Amortisation	112.26	59.69	27.90	0.51	–	200.36

- 34 (a) Subsequent to the Order dated September 24, 2014 of the Honorable Supreme Court on de-allocation of all coal mines including Sial Ghogri coal mine of the Company in Madhya Pradesh with effect from March 31, 2015 and promulgation of the Coal Mines (Special Provisions) Ordinance 2014 and Coal Mines (Special Provision) Rules, 2014 (the Rules), the Central Government has completed bidding process. The Nominated Authority appointed under the Rules has passed Vesting Order dated March 23, 2015 and as a result thereof, with effect from April 01, 2015, the coal mine including lands, in or adjacent to the coal mines and mine infrastructure got vested in favour of the successful bidder. In compliance of the vesting order the Company has handed over possession of the mine and the assets listed in the vesting order to the successful bidder. Vide email dated March 26, 2015, the Nominated Authority has communicated to the Company that a sum of ₹ 32.49 Crores has been determined as compensation payable to the Company. The Company has inter-alia disputed the quantum of compensation and has preferred a writ before the Honorable High Court of Judicature, Delhi and the Company has lodged claim of ₹ 72.86 Crores. The aggregate exposure of the Company on account of Coal Mine Development expenses, Mining Surface Rights, Land, Other infrastructure for mine, Capital work in progress relating to buildings under construction and other related matter is around ₹ 47.49 Crores (including geological survey expenses written off in books of accounts of ₹ 6.22 Crores). Since the matter is sub-judice and pending settlement of the claim, no adjustment has been made in the accounts.
- (b) On cancellation of allocation of coal mine and on receipt of details of compensation from Nominated Authority and since the matter is pending before the Court, the Company has classified Coal Mine Development expenses ₹ 19.11 Crores, Mining Surface Rights ₹ 7.88 Crores (which were forming part of fixed assets of the Company), Capital work in progress relating to buildings under construction ₹ 2.71 Crores aggregating to ₹ 29.70 Crores as Receivable relating to Coal Block deallocation under Other Current Assets.
- (c) Other assets, comprising of assets that got vested in favour of the successful bidder on April 1, 2015 and other assets and pre operative expenditure for which claim has been lodged by the Company, having aggregate book value of ₹ 11.57 Crores, are continued to be shown as part of fixed assets.

**35 (a) Contingent liabilities :**

- i Guarantees given by the Company's bankers and counter guaranteed by the Company : ₹ 110.10 Crores (Previous year : ₹ 103.88 Crores)
- ii Claims against the Company not acknowledged as debts on account of disputes :
  - (a) In respect of exemption of Central Sales Tax on coal purchases : ₹ 7.56 Crores (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company.
  - (b) Energy Development Cess ₹ 7.44 Crores (Previous year : ₹ 7.44 Crores)
  - (c) Additional Royalty Claim on limestone raised ₹ Nil (Previous year : ₹ 40.95 Crores)
  - (d) Tax on Rural and Road Development ₹ 9.45 Crores (Previous year : ₹ 9.45 Crores)
  - (e) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 123.96 Crores. (Previous year : ₹ 96.85 Crores)
- iii Corporate guarantees issued to the bankers on behalf of wholly owned subsidiary ₹ 80 Crores (Previous year : ₹ Nil) and issued by bankers of Joint Ventures for its subsidiary of ₹ Nil (Previous year : ₹ 7.50 Crores )
- iv Outstanding Letters of Credit ₹ 57.67 Crores (Previous year : ₹ 40.27 Crores)
- v Prepayment charges claimed by banks on amounts prepaid ₹ 4.13 Crores (Previous year : ₹ 4.13 Crores)
- vi On enactment of The Mines and Minerals (Development and Regulation) Amendment Act, 2015 w.e.f. 12th January, 2015, the Company is liable to pay an amount not exceeding the royalty paid, to the District Mineral Foundation of the district in such manner and subject to categorisation of the mining lease and amounts payable by the various categories of the lease holders, as may be prescribed by the Central Government. Also the company is liable to pay to National Mineral Exploration Trust, a sum equivalent to two percent of the royalty paid, in such a manner as may be prescribed by the Central Government. However, the State and Central Government is yet to issue the notification for establishing the trust and accordingly, amount cannot be ascertained at present.

The management has estimated the provisions for pending litigation, claims and demands (including cases relating to direct and indirect taxes) on its assessment of probability for these demands crystallising against the Company in due course. The difference between the amount demanded and provision made is disclosed as Contingent liabilities.

- (b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) - ₹ 61.41 Crores (Previous year : ₹ 33.89 Crores)
- (c) Disclosure of provisions made as per the requirements of Accounting Standard – 29 on "Provisions, Contingent Liabilities and Contingent Assets" are as follows :

₹ Crores

Particulars	As at 01-04-2014	Provisions made during the year	Amounts utilised or reversed during the year	As at 31-03-2015
MPEB Cess on Generation of Electricity	8.33	-	-	8.33
MP Entry Tax / VAT	8.58	1.47	-	10.05
UP Entry Tax	2.38	1.48	-	3.86
VAT on Inter Unit Transfer	0.68	-	-	0.68
Dispute with Contractors	1.00	-	-	1.00
Appeal with AP Commercial Tax Department	0.62	0.62	-	1.24
Mines Restoration expenses	-	0.20	-	0.20
<b>TOTAL</b>	<b>21.59</b>	<b>3.77</b>	<b>-</b>	<b>25.36</b>

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 1.34 Crores (Previous year : ₹ 1.34 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 24.02 Crores (Previous year : ₹ 20.47 Crores).

During the year, the Company has reviewed its obligation with respect to mines restoration and considering all factors has recognised suitable provisions for the same.

- 36** Effective from April 1, 2014, the useful lives of fixed assets have been revised in accordance with Schedule II to the Companies Act, 2013 (the Act). Due to above, depreciation charge for the year ended March 31, 2015 is lower by ₹ 44.66 Crores. Further based on transitional provision provided in Note 7(b) of Schedule II to the Act, the charge to retained earnings in respect of assets having no useful life as on the effective date, net of deferred tax adjustment is ₹ 7.87 Crores. Some of the entities of the Group has opted to charge such amount ( ₹ 0.20 Crores) to consolidated statement of profit and loss.
- 37** Capital work-in-progress includes pre-operative expenses of ₹ 53.07 Crores (Previous year : ₹ 46.26 Crores), the details of which are as under :

₹ Crores

Particulars	2014 - 2015	2013 - 2014
<b>Indirect expenditure incurred during the year and considered as pre-operative expenses</b>		
Salary, Wages and Bonus	2.77	3.32
Contribution to Provident and other funds	0.13	0.19
Rent, Rates and Taxes	0.29	0.32
Travelling and Communication	0.85	1.34
Professional fees	0.73	1.81
Interest and other finance charges	–	0.07
Depreciation	0.34	0.37
Miscellaneous expenses	2.30	5.81
	7.41	13.23
Add : Expenditure up to Previous year	46.26	46.24
	53.67	59.47
Less : Adjustment relating to Coal Block / Capitalised during the year	0.60	13.21
<b>Balance Carried forward</b>	<b>53.07</b>	<b>46.26</b>

### 37 Employee Benefits :

- (a) Defined contribution plans :

The Company has recognised an expense of ₹ 15.47 Crores (Previous year : ₹ 15.22 Crores) towards defined contribution plans, in respect of Provident Fund and Superannuation Fund. The Company contributes to the Provident Fund Trust managed by it or to Recognised Provident Fund. In the event, the Company expect any material deficit in payment of interest, necessary amount is contributed to the own Provident Fund Trust.

- (b) Defined benefit plans :

The actuarial valuation of the present value of the defined benefit obligations were carried out at March 31, 2015. The present value of the defined benefit obligations and the related service costs, were measured using the Projected Unit Credit Method. The following tables set out the funded status and amounts recognised in the Company's financial statements as per actuarial valuation on March 31, 2015 for the Defined Benefits Plan :

i Changes in the defined benefit obligation for leave entitlement and gratuity :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	Leave Entitlement	Gratuity	Leave Entitlement	Gratuity
<b>A. Changes in the defined benefit obligation :</b>				
Liability at the beginning of the year	17.73	30.33	19.92	29.21
Current service cost	2.20	4.78	3.16	4.55
Interest cost	1.22	2.31	1.26	2.37
Actuarial (gain) / loss on obligation	5.02	2.57	5.98	(0.01)
Benefits paid	(5.56)	(3.57)	(12.59)	(5.79)
<b>Liability at the end of the year (A)</b>	<b>20.61</b>	<b>36.42</b>	<b>17.73</b>	<b>30.33</b>
<b>B. Changes in the fair value of plan assets :</b>				
Fair value of plan assets at the beginning of the year	N.A.	24.70	N.A.	23.47
Expected return on plan assets	N.A.	2.10	N.A.	1.92
Employer's contributions	N.A.	3.76	N.A.	4.82
Actuarial gain / (loss) on plan assets	N.A.	0.92	N.A.	0.28
Benefits paid	N.A.	(3.57)	N.A.	(5.79)
<b>Fair value of plan assets at the end of the year (B)</b>	<b>N.A.</b>	<b>27.91</b>	<b>N.A.</b>	<b>24.70</b>
<b>C. Balance Liability (A – B)</b>	<b>20.61</b>	<b>8.51</b>	<b>17.73</b>	<b>5.63</b>

ii Actual Return on Plan Assets :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	Leave Entitlement	Gratuity	Leave Entitlement	Gratuity
Expected Return on plan assets	N.A.	2.10	N.A.	1.92
Actuarial gain / (loss) on plan assets	N.A.	0.92	N.A.	0.28
Actual Return on plan assets	N.A.	3.02	N.A.	2.20

iii Expenses recognised in Statement of Profit and Loss for the year ended March 31, 2015 :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	Leave Entitlement	Gratuity	Leave Entitlement	Gratuity
Current service cost	2.20	4.78	3.16	4.55
Interest cost	1.22	2.31	1.26	2.37
Expected return on plan assets	N.A.	(2.10)	N.A.	(1.92)
Actuarial (gain) / loss	5.02	1.65	5.98	(0.28)
<b>Expense recognised in Statement of Profit and Loss</b>	<b>8.44</b>	<b>6.64</b>	<b>10.40</b>	<b>4.72</b>

- iv The categories of plan assets as a percentage of total plan are as follows :

Particulars	Percentage
Equity Shares	16.97%
Central and State Government Securities	43.26%
Other Fixed Income Securities / Deposits	39.77%
<b>TOTAL</b>	<b>100.00%</b>

- v Actuarial Assumptions used in accounting for leave entitlement and gratuity :

- (a) Discount rate : 7.90% to 8.08% (Previous year : 8% to 9.31%)  
 (b) Expected rate of return on plan assets : 8% to 8.75% (Previous year : 8% to 9.25%)  
 (c) The estimates of future salary increases of 4% - 7% (Previous year 4% to 7%), considered in actuarial valuation, taking into account the general trend in salary rise and the inflation rates.

- 39 (a) The Group has entered into finance lease for using the mining surface rights of limestone, against which the total payment has been made and no contingent rent is payable.

- (b) Details of Finance lease agreements (Machinery and Equipments) – Non-cancellable :

The Group has entered into finance leases agreement for plant and machinery. Future minimum lease payments (MLP) under finance leases are as follows :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	MLP	Interest not due	MLP	Interest not due
i Due not later than one year	1.01	0.48	0.68	0.41
ii Due later than one year but not later than five years from the balance sheet date	0.08	0.04	1.41	0.85
iii Later than five years	-	-	-	-

- (c) Details of operating lease agreements (Machinery and Equipments) – Non-cancellable :

₹ Crores

Particulars	2014 - 2015	2013 - 2014
<b>Future Lease Rental Payments</b>		
i Due not later than one year	4.81	1.65
ii Due later than one year but not later than five years from the balance sheet date	10.24	6.20
iii Later than five years	-	-

Lease rentals of ₹ 4.48 Crores (Previous year : ₹ 0.07 Crores) in respect of obligations under operating leases have been recognised in the Statement of Profit and Loss.

**40** Disclosure in respect of Company's Joint Ventures :

Name of the Joint Venture	Proportion of Ownership Interest	Country of Incorporation
Ardex Endura (India) Private Limited	50%	India
Sentini Cermica Private Limited	50%	India
Antique Marbonite Private Limited	50%	India
Spectrum Johnson Tiles Private Limited	50%	India
Small Johnson Floor Tiles Private Limited	50%	India

**The aggregate of Company's Share in the above Joint Ventures is :**

Particulars	₹ Crores	
	As at 31-03-2015	As at 31-03-2014
Capital Commitments	<b>2.10</b>	0.06
Contingent Liabilities	<b>11.55</b>	13.12

**41 VAT Subsidy :**

VAT Subsidy is grouped under Revenue from Operations as part of Sales.

- As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna is entitled for subsidy at the rate of 75% of VAT / CST paid on sales, subject to prescribed limits. Subsidy receivable for the year is ₹ 59.54 Crores (Previous year : ₹ 56.35 Crores).
- As per Industrial Promotion Policy 2010 of Madhya Pradesh, HRJ Unit at Dewas is entitled for subsidy of VAT / CST paid on sales achieved above the normal production capacity. Subsidy receivable for the year is ₹ 0.42 Crores (Previous year : ₹ 0.55 Crores).
- As per Assam Industries (Tax Exemption) Scheme 2009, RMC Unit at Guwahati is entitled to Sales Tax Exemption subject to prescribed limit, at the rate of 99% of tax payable. Amount recognised for the year is ₹ 0.42 Crores (Previous year : ₹ Nil).
- As per Andhra Pradesh Industrial Promotion policy - 2005-2010, Silica Ceramica Private Limited is entitled for subsidy of 50% of VAT / CST paid against sales from their unit. Subsidy receivable for the year is ₹ 16.38 Crores (Previous year : ₹ 12.80 Crores).

42 Disclosure regarding transactions with Related Parties in terms of Accounting Standard - 18 is as under :

(a) Name of the related parties with whom transactions have taken place :

Joint Ventures	Key Management Personnel
Sentini Cermica Private Limited	Mr. Vijay Aggarwal – Managing Director
Antique Marbonite Private Limited	Mr. Ganesh Kaskar – Executive Director – HRJ
Spectrum Johnson Tiles Private Limited	Mr. Venugopal M. Panicker – Executive Director – RMC
Small Johnson Floor Tiles Private Limited	Mr. S. Ramnath – Executive Director – Cement (upto 04-02-2015)
Ardex Endura (India) Private Limited	Mr. Manoj Chhabra – Managing Director (upto 24-08-2013)
TBK Shri Ram Tile Bath Kitchen Private Limited	
TBK Deziner’s Home Private Limited	<b>Firm/Enterprise in which Directors and/or relatives have significant influence</b>
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	
TBK P B Shah Tile Bath Kitchen Private Limited	Peninsula Estates Private Limited
TBK Deepgiri Tile Bath Kitchen Private Limited	Varahagiri Investments And Finance Private Limited
TBK Pratap Tile Bath Kitchen Private Limited	Windsor Realty Private Limited
TBK Rangoli Tile Bath Kitchen Private Limited	R & S Business Centre
TBK Bansal Ceramics Private Limited	
TBK Rathi Sales Agencies Private Limited	<b>Associates</b>
TBK Florance Ceramics Private Limited	Prism Power and Infrastructure Private Limited
TBK Sanitary Sales Private Limited	
TBK Tile Home Private Limited	<b>Subsidiary of Joint Venture</b>
TBK Samiyaz Tile Bath Kitchen Private Limited	Antique Minerals Private Limited
TBK Krishna Tile Bath Kitchen Private Limited	Solid Johnson Floor Tiles Private Limited
TBK Reddy Tile Bath Kitchen Private Limited	
TBK Kadakia's Tile Bath Kitchen Private Limited	
TBK Rishi Ceramics Private Limited	
TBK Aishwarya Tile Bath Kitchen Private Limited	
TBK Raj Kamal Tile Bath Kitchen Private Limited	
TBK Shree Ganesh Traders Private Limited	
TBK Vaibhavi Tile Bath Kitchen Private Limited	
TBK Home Trends Private Limited	
TBK Solan Ceramics Private Limited	

b. Following are the transactions with related parties as defined under Accounting Standard -18 on "Related Party Disclosures":

₹ Crores

Name/(Relationship)	Nature of transaction	Amount of transaction in 2014-2015	Amount outstanding as at 31-03-2015 (Payable)/Receivable	Amount of transaction in 2013-2014	Amount outstanding as at 31-03-2014 (Payable)/Receivable
Mr. Vijay Aggarwal (Managing Director)	Remuneration	4.50	-	4.08	(0.22)
Mr. Ganesh Kaskar (Executive Director)	Remuneration	2.38	(0.26)	2.17	(0.34)
Mr. S. Ramnath (Executive Director upto 04/02/2015)	Remuneration	3.83	(0.19)	0.88	-
Mr. Venugopal Panicker (Executive Director)	Remuneration	1.24	(0.17)	0.61	(0.11)
Mr. Manoj Chhabra (Managing Director upto 24/08/2013)	Remuneration	-	-	6.82	-
R & S Business Centre (Concern in which Director and/or relatives have significant influence)	Deposit given	-	-	0.02	-
Windsor Realty Private Limited (Enterprise in which Director and/or relatives have significant influence)	Sale of Goods and Services	-	0.40	1.28	0.40
	Rent paid	2.11	-	1.67	-
	Security Deposit	0.23	1.81	-	1.58
Peninsula Estates Private Limited (Company in which Director and/or relatives has significant influence)	Rent paid	0.10	-	0.10	-
	Deposit given	-	0.03	0.03	0.03
Varahagiri Investments And Finance Private Limited (Company in which Director and/or relatives has significant influence)	Rent paid	0.41	-	0.41	-
	Deposit given	-	0.11	0.11	0.11
Prism Power and Infrastructure Private Limited (Associate)	Advances	-	0.01	#	0.01
Sentini Cermica Private Limited (Joint Venture)	Purchase of Goods and Services	83.04	(11.42)	60.45	(11.84)
	Sale of Asset	-	-	0.86	-
	Reimbursement of expenses received	0.11	-	0.16	-
	Reimbursement of expenses paid	-	-	0.03	-

₹ Crores

Name/(Relationship)	Nature of transaction	Amount of transaction in 2014-2015	Amount outstanding as at 31-03-2015 (Payable)/Receivable	Amount of transaction in 2013-2014	Amount outstanding as at 31-03-2014 (Payable)/Receivable
Antique Marbonite Private Limited (Joint Venture)	Purchase of Goods and Services	147.56	(24.58)	133.85	(25.13)
	Interest received	0.22	-	0.18	-
	Interest paid	0.51	-	0.02	-
	Reimbursement of expenses paid	-	-	0.09	-
	Reimbursement of expenses received	0.13	-	0.18	-
Spectrum Johnson Tiles Private Limited (Joint Venture)	Purchase of Goods and Services	44.13	(8.10)	37.93	(6.69)
	Reimbursement of expenses paid	0.11	-	0.06	-
	Rent paid	0.02	-	0.01	-
TBK Samiyaz Tile Bath Kitchen Private Limited (Joint Venture of subsidiary)	Deposit received	0.01	(0.01)	-	-
TBK Kadakia's Tile Bath Kitchen Private Limited (Joint Venture of subsidiary)	Rent received	0.02	-	-	-
	Reimbursement of expenses received	-	-	0.04	-
TBK Rathi Sales Agencies Private Limited (Joint Venture of subsidiary)	Rent received	0.05	-	-	-
TBK Shri Ram Tile Bath Kitchen Private Limited (Joint Venture of subsidiary)	Interest Received	0.16	-	0.05	-
	Rent received	0.03	-	-	-
	Selling & Distribution expenses	0.44	-	-	-
	Reimbursement of expenses received	-	-	0.10	-
TBK Sanitary Sales Private Limited (Joint Venture of Subsidiary)	Sale of Goods	0.45	-	-	-
	Selling & Distribution expenses	0.41	-	0.96	-
TBK Deepgiri Tile Bath Kitchen Private Limited (Joint Venture of Subsidiary)	Loan received	0.13	-	-	-
	Loan given	0.25	-	-	-
TBK Bansal Ceramics Private Limited (Joint Venture of Subsidiary)	Loan given	0.20	-	-	-

₹ Crores

Name/(Relationship)	Nature of transaction	Amount of transaction in 2014-2015	Amount outstanding as at 31-03-2015 (Payable)/ Receivable	Amount of transaction in 2013-2014	Amount outstanding as at 31-03-2014 (Payable)/ Receivable
TBK Deziners Home Private Limited (Joint Venture of Subsidiary)	Loan received	0.25	-	-	-
	Investment in Preference shares	0.30	-	-	-
Small Johnson Floor Tiles Private Limited (Joint Venture)	Divided received	#	-	#	-
TBK Rishi Ceramics Private Limited (Joint Venture of subsidiary)	Selling & Distribution expenses	0.36	-	-	-
TBK Shri Ganesh Traders Private Limited (Joint Venture of Subsidiary)	Selling & Distribution expenses	-	-	1.02	-
	Reimbursement of expenses paid	0.11	-	0.10	-
Globus Stores Private Limited	Premium received	0.02	-	0.03	-
	Premium Deposit	-	-	#	-
	Claims paid	-	-	#	-
Hathway Cable & Datacom Limited	Installation & Subscription charges	0.02	-	-	-
Others	Purchase of Goods and services	33.62	(7.94)	46.69	(10.59)
	Sale of goods and Services	64.78	9.66	66.48	9.93
	Interest received	0.19	-	0.17	-
	Interest paid	#	-	-	-
	Rent paid	#	-	#	-
	Selling & Distribution expenses	1.87	-	1.90	-
	Remuneration	0.17	-	0.73	-
	Loan given	0.05	-	-	-
	Reimbursement of expenses received	0.11	-	0.08	-
	Reimbursement of expenses paid	0.29	-	0.32	-

# Amount less than ₹ 50,000/-

Note : In the above table, remuneration includes Leave encashment & Gratuity on actual payment.

## 43 Imported and indigenous material and stores and spares consumed :

## (a) Material consumed

Particulars	2014 - 2015		2013 - 2014	
	₹ Crores	(%)	₹ Crores	(%)
Imported	76.73	4.85	87.72	6.13
Indigenous	1,506.72	95.15	1,342.68	93.87
<b>TOTAL</b>	<b>1,583.45</b>	<b>100.00</b>	<b>1,430.40</b>	<b>100.00</b>

## (b) Stores and Spares consumed

Particulars	2014 - 2015		2013 - 2014	
	₹ Crores	(%)	₹ Crores	(%)
Imported	27.59	25.83	24.35	20.07
Indigenous	79.23	74.17	88.89	79.93
<b>TOTAL</b>	<b>106.82</b>	<b>100.00</b>	<b>113.24</b>	<b>100.00</b>

## 44 Value of imports on CIF Basis :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	₹ Crores	(%)	₹ Crores	(%)
Spares	37.53		35.91	
Raw Materials	43.08		52.32	
Capital Goods	10.95		17.01	
Fuel	76.11		-	
Traded Goods	73.62		17.11	

## 45 Details of earnings in foreign currency :

F.O.B Value of Export : ₹ 57.04 Crores (Previous year : ₹ 43.48 Crores)

## 46 Details of expenditure in foreign currency :

₹ Crores

Particulars	2014 - 2015		2013 - 2014	
	₹ Crores	(%)	₹ Crores	(%)
Finance and other charges	1.07		1.96	
Travelling and communication expenses	0.87		0.55	
Fees for technical services	0.62		0.23	
Other expenditure	0.31		0.19	
<b>TOTAL</b>	<b>2.87</b>		<b>2.93</b>	

47 Disclosure of Foreign Currency Exposure :

(a) Forward exchange contracts to hedge the foreign currency exposure for payments to be made against imports & borrowings.

In Crores

Currency	As at 31-03-2015		As at 31-03-2014	
	Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
USD	-	-	0.13	7.72
EURO	0.02	1.55	-	-

(b) Particulars of unhedged foreign currency asset / liability as at Balance Sheet date :

In Crores

Currency	Nature	2014-2015		2013-2014	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
Euro	Asset	#	0.23	#	0.05
Swiss Francs (CHF)	Asset	#	0.02	#	0.14
Danish Krone (DKK)	Asset	#	0.01	0.01	0.13
LKR	Asset	0.19	0.09	-	-
GBP	Asset	0.08	7.70	0.07	6.81
US Dollar (USD)	Asset	0.31	19.54	0.12	7.23
Euro	Liability	0.15	9.99	0.28	23.42
Swiss Francs (CHF)	Liability	-	-	#	#
LKR	Liability	0.32	0.15	-	-
US Dollar (USD)	Liability	3.33	208.51	0.53	31.85
Japanese Yen (Yen)	Liability	0.23	0.12	0.02	0.01

# Amount less than ₹ 50,000/-

(c) The Company has booked INR USD Cross Currency Swap Contracts of USD 5.92 Crores (Previous year : Nil ) against the underlying INR borrowing of ₹ 365 Crores (Previous year : ₹ Nil). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net gain of ₹ 4.08 Crores (Previous year : ₹ Nil) are included in interest expenses under finance cost in note no. 27.

Name of the Entities	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit / (Loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
<b>Prism Cement Limited</b>	68%	713.57	571%	14.95
<b>Subsidiaries</b>				
<b>Indian :</b>				
1. Milano Bathroom Fittings Private Limited	1%	14.15	116%	3.03
2. Silica Ceramic Private Limited	4%	41.85	-1251%	(32.77)
3. H. & R. Johnson (India) TBK Limited *	-2%	(19.25)	-136%	(3.57)
4. RMC Readymix Porselano (INDIA) Limited	0%	0.05	0%	#
5. Raheja QBE General Insurance Company Limited	21%	216.78	407%	10.67
<b>Minority Interest in all subsidiaries</b>				
<b>Indian :</b>				
1. Silica Ceramica Private Limited	0%	(0.30)	22%	0.57
2. Raheja QBE General Insurance Company Limited	-5%	(56.36)	-105%	(2.76)
3. Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	0%	(0.42)	-1%	(0.01)
<b>Joint Ventures</b>				
<b>Indian :</b>				
1. Antique Marbonite Private Limited *	5%	57.84	189%	4.96
2. Small Johnson Floor Tiles Private Limited *	1%	12.74	43%	1.12
3. Spectrum Johnson Tiles Private Limited *	2%	16.54	99%	2.60
4. Ardex Endura (INDIA) Private Limited *	2%	25.06	78%	2.06
5. Sentini Ceramica Private Limited	3%	32.08	68%	1.77
<b>TOTAL</b>	<b>100%</b>	<b>1,054.33</b>	<b>100%</b>	<b>2.62</b>

\* Based on consolidated financial statements of the respective entities.

# Amount less than ₹ 50,000/-

49 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 39569

Place : Mumbai  
Dated : May 14, 2015

Rajesh G. Kapadia  
Ameeta A. Parpia

Vijay Aggarwal

Ganesh Kaskar  
Venugopal M. Panicker

Pramod K. Akhramka  
Aneeta S. Kulkarni

Chairman  
Director

Managing Director

Executive Director - HRJ  
Executive Director - RMC

Chief Financial Officer  
Company Secretary

## FORM AOC - 1

(Pursuant to first proviso to sub-section (3) Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statements of Subsidiaries/Joint Ventures/Associates

#### Part A : Subsidiaries

₹ Crores

Sr. No.	Name of Subsidiary	Milano Bathroom Fittings Private Limited	Silica Ceramic Private Limited	H. & R. Johnson (India) TBK Limited *	RMC Readymix Porselano (India) Limited \$	Raheja QBE General Insurance Company Limited
1	Reporting Currency	INR	INR	INR	INR	INR
2	Share Capital	4.60	8.69	1.61	0.05	207.00
3	Reserves & Surplus	9.55	33.16	(20.86)	-	9.78
4	Total Assets	30.14	349.24	64.32	0.05	268.81
5	Total Liabilities	15.99	307.39	83.57	-	52.03
6	Investments	0.01	-	0.40	-	217.17
7	Turnover	45.78	251.88	142.94	-	40.63
8	Profit/(Loss) Before Taxation	3.00	(32.77)	(3.65)	-	16.80
9	Provision for Taxation	(0.03)	-	(0.08)	-	6.13
10	Profit/(Loss) After Taxation	3.03	(32.77)	(3.57)	-	10.67
11	Proposed Dividend	0.04	Nil	Nil	Nil	Nil
12	% of shareholding	100%	99.28%	100%	100%	74%

#### Part B : Associates and Joint Ventures

₹ Crores

Sr. No.	Name of Associates/Joint Ventures	Sentini Ceramica Private Limited	Spectrum Johnson Tiles Private Limited *	Antique Marbonite Private Limited *	Ardex Endura (India) Private Limited *	Small Johnson Floor Tiles Private Limited *	Prism Power and Infrastructure Private Limited \$
1	Latest audited Balance Sheet date	31-03-2015	31-03-2015	31-03-2015	31-03-2015	31-03-2015	31-03-2015
2	Shares of Associates/Joint Ventures held by the Company on the year end						
	- Number	23,00,000	21,65,388	40,00,000	65,00,000	20,00,000	4,900
	- Amount of investment in Associates/Joint Venture	11.50	8.03	20.03	6.50	10.00	-
	- Extend of Holding %	50%	50%	50%	50%	50%	49%
3	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Associate
4	Reason why the Associate/Joint Venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.	Not operational and not material
5	Networth attributable to Shareholding as per latest audited Balance Sheet	32.08	16.54	57.42	25.06	12.74	-
6	Profit/(Loss) for the year						
	i. Considered in Consolidation	1.77	2.60	4.95	2.05	1.12	(#)
	ii. Not Considered in Consolidation	1.77	2.60	4.95	2.05	1.12	N.A.

\* Based on Consolidated financial statements of respective entities

\$ Entities yet to commence operations

# Denotes amount less than ₹ 50,000/-

Notes : (1) Name of entities which have been liquidated or sold during the year - None.

(2) The reporting period for all the subsidiaries is 31-03-2015.

Rajesh G. Kapadia  
Ameeta A. Parpia  
Vijay Aggarwal  
Ganesh Kaskar  
Venugopal M. Panicker  
Pramod K. Akhramka  
Aneeta S. Kulkarni

Chairman  
Director  
Managing Director  
Executive Director - HRJ  
Executive Director - RMC  
Chief Financial Officer  
Company Secretary

Place : Mumbai  
Date : May 14, 2015

## NOTICE

**NOTICE IS HEREBY GIVEN** that the Twenty-third Annual General Meeting of the Company will be held on Tuesday, September 8, 2015 at 9.30 a.m. at Taj Mahal Hotel, 4-1-999, King Koti Road, Abids, Hyderabad - 500 001, to transact the following business :

### Ordinary Business :

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh G. Kapadia (DIN : 00003272), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Ratification of the Appointment of Auditors**

#### To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. G. M. Kapadia & Co., Chartered Accountants, (Firm Registration No. 104767W), as the Auditors of the Company to hold office from the conclusion of the 22<sup>nd</sup> Annual General Meeting until the conclusion of the 26<sup>th</sup> Annual General Meeting, be and is hereby ratified."

### Special Business :

#### 4. To adopt new Articles of Association of the Company

##### To consider and, if thought fit, to pass the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

#### 5. Reclassification of the Authorised Share Capital and Alteration of the Memorandum of Association of the Company

##### To consider and, if thought fit, to pass the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 and all other applicable provisions of the Companies Act, 2013 and the Rules thereunder, (including any statutory modification(s)/re-enactment(s) thereof for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company, 2,00,00,000 (Two Crores) unissued Preference Shares of ₹ 10/- (Rupees Ten only) each, aggregating ₹ 20,00,00,000/- (Rupees Twenty Crores only) forming part of the Authorised Share Capital of the Company, be and are hereby cancelled and reclassified by concurrently creating 2,00,00,000 (Two Crores) Equity shares of ₹ 10/- (Rupees Ten only) each, aggregating to ₹ 20,00,00,000/- (Rupees Twenty Crores only), with total Authorised Share Capital of the Company remaining unchanged at ₹ 525,00,00,000/- (Rupees Five Hundred Twenty Five Crores only).

"RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder, (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company in respect of Authorised Share Capital be and is hereby substituted in its place and stead as under :

V. *The Authorised Share Capital of the Company is ₹ 525 Crores (Rupees Five Hundred Twenty-five Crores only) divided into 52,50,00,000 Equity shares of ₹ 10/- (Rupees Ten only) each, with such rights, privileges and conditions attached thereto as may be determined by the General Meeting at the time of issue. The Company has and shall always have the power to divide the share capital from time to time and to vary, modify and abrogate any rights, privileges or conditions attached to its shares in such a manner as may, for the time being, be provided in the regulations of the Company."*

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of

the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

#### 6. To ratify remuneration of the Cost Auditors of the Company

**To consider and, if thought fit, to ratify, the following resolution as an Ordinary Resolution :**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. N. I. Mehta & Co., the Cost Auditors re-appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid a remuneration of ₹ 8,25,000/-, in addition to applicable taxes and reimbursement of out-of-pocket expenses."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

#### 7. Private Placement of Non-convertible Debentures and/ or other Debt Securities

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended and subject to other applicable Rules, Regulations, Guidelines, Notifications and Circulars issued by SEBI, the Reserve Bank of India, Foreign Exchange Management Act, 1999, the Government of India, Ministry of Corporate Affairs, Registrar of Companies, the Stock Exchanges, Articles of Association of the Company and subject to receipt of necessary approvals as may be applicable and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals which may be agreed to by the Board of Directors of the Company ("the Board", which term shall be deemed to include any Committee thereof which

the Board may have constituted or herein after constitute to exercise its powers including the powers conferred by this resolution), the approval of the Company, be and is hereby accorded to the Board for making offer(s) or invitation(s) to subscribe to secured/unsecured Non-convertible Debentures (NCDs) including but not limited to Bonds, and/or other Debt Securities, on Private Placement basis, in one or more tranches, to such person(s)/Financial Institution(s)/Bank(s)/ Mutual Fund(s)/Body Corporate(s)/Company(ies)/any other entities on such terms and conditions as the Board may deem fit during a period of one year from the date of passing of this resolution upto an aggregate amount of ₹ 1250,00,00,000 (Rupees Twelve Hundred Fifty Crores only) within the overall borrowing limits of the Company, as approved by the members, from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to arrange or settle or vary/ modify the terms and conditions on which all such monies are to be borrowed from time to time, as to interest, premium, repayment, pre-payment, security or otherwise, as it may deem expedient, and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all documents or writing as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or any regulatory bodies and to delegate all or any of the powers conferred herein to any Committee of Directors, or any other officer(s)/Authorised Representative(s) of the Company and/or in such manner as it may deem fit."

#### NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business mentioned under Item Nos. 4 to 7 above, is annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting (the 'AGM/Meeting') is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**
3. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the**

**Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

4. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
5. Members/proxies are requested to bring duly filled attendance slip(s) sent herewith to attend the Meeting.
6. The Register of Members and Transfer Books of the Company will remain closed from Tuesday, September 1, 2015 to Tuesday, September 8, 2015 (both days inclusive).
7. Members are requested to send all communication relating to shares to the Company's Registrar & Transfer Agent - Karvy Computershare Private Limited, Unit : Prism Cement Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 ("Karvy"). Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Nomination facility for shares is available for Members. The prescribed format, in this regard, can be obtained from Karvy.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Rules made thereunder, copies of the Annual Report 2015, Notice of the 23<sup>rd</sup> AGM and instructions for e-voting alongwith the Attendance Slip, Ballot Form and Proxy Form are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report is being sent by the permitted mode. Members holding shares in physical form can send their email address for registration to einward.ris@karvy.com quoting the Folio Number and Name of the Company. The Notice of the 23<sup>rd</sup> AGM and the Annual Report for the year 2014-15 will also be available on the Company's website www.primcement.com for members to download. Even after registering for e-communication, members are entitled to receive such communication in printed form, upon making a request in writing for the same.

11. The Company has transferred unpaid/unclaimed dividends declared upto the financial year 2007-08 from time to time to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed dividends lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on July 31, 2014 (date of last Annual General Meeting) on the website of the Company www.primcement.com, as also on the website of the Ministry of Corporate Affairs.

Given below is the table of dates by which shareholders can claim the respective unclaimed dividend and the date by which such unclaimed amount will be transferred to the IEPF.

Equity dividend for FY	Date of declaration of dividend	Date by which unclaimed dividend can be claimed	Proposed transfer of unclaimed dividend to IEPF between
2008-2009	October 7, 2008	October 6, 2015	October 7, 2015 to November 6, 2015
2008-2009	May 12, 2009	May 11, 2016	May 12, 2016 to June 11, 2016
2009-2010	July 7, 2009	July 6, 2016	July 7, 2016 to August 6, 2016
2009-2010	March 10, 2010	March 9, 2017	March 10, 2017 to April 9, 2017
2010-2011	October 27, 2010	October 26, 2017	October 27, 2017 to November 26, 2017
2011-2012	June 26, 2012	June 25, 2019	June 26, 2019 to July 25, 2019

Shareholders who have not encashed their equity dividend warrants so far are requested to make their claim to Karvy.

12. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to Karvy.
13. A statement giving details of the Director seeking re-appointment under Item No. 2 of the Notice as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is annexed herewith.
14. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day, except Saturdays, up to the date of the Meeting.

15. Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.
16. Members desiring any information relating to the accounts are requested to write to the Company, well in advance, so as to enable the management to keep the information ready.
17. In compliance with the provisions of Section 108 and other applicable provisions of the Act, if any, the Companies (Management and Administration) Rules, 2014 as amended and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote electronically on all resolutions set forth in this Notice from a place other than the venue of the meeting ('remote e-voting').

The facility for e-voting shall also be made available at the AGM and members attending the Meeting who have not already cast their vote by remote e-voting or through Ballot Form shall be able to exercise their right at the Meeting through 'Insta Poll'.

Members who have cast their vote by remote e-voting or through Ballot Form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Monday, August 31, 2015, (**'cut-off date'**) are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach Karvy for issuance of the User ID and Password for exercising their right to vote by electronic means or can vote through Ballot Form to be downloaded from the Company's website [www.primscement.com](http://www.primscement.com).

The Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, Practicing Company Secretaries, Hyderabad as the Scrutiniser to scrutinise the e-voting process (including Insta Poll and the Ballot Forms received from the Members who do not have access to the e-voting process), in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for the same purpose.

The Company has entered into an arrangement with Karvy for facilitating e-voting for AGM.

The instructions for e-voting are as under :

**A. In case a Member receives Notice of AGM through email (for Members whose addresses are registered with the Company/Depositories) :**

- i. Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'.

- ii. Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No./ DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering the details appropriately, click on "LOGIN".
- iv. You will reach the 'Password Change' menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the EVENT (e-voting Event Number) i.e., **Prism Cement Limited**.
- vii. On the voting page, the number of shares (which represents the number of votes) as held by the member will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR"/"AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you shall not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly

authorised signatory(ies) who are authorised to vote, to the Scrutiniser through email at **sj.pcltd@gmail.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name\_EVENT No."

- xi. The Portal will remain open for voting from September 4, 2015 (9.00 a.m.) till September 7, 2015 (5.00 p.m.)
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "Download" section of <https://evoting.karvy.com> or contact Karvy on Toll Free No. 1800 345 4001 for any further clarifications.

**B. In case a Member receives the physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/ Depositories) :**

- i. Initial password is provided in the enclosed Ballot Form : EVEN (e-voting Event Number) of Prism Cement Limited, User ID and password.
- ii. Please follow steps from Sl. No. (i) to (xii) under heading "**A**" above to vote through e-voting platform.

**C. For Members who wish to vote using Ballot Form :**

Pursuant to Clause 35B of the Listing Agreement with the Stock Exchanges, Members who do not have access to e-voting facility may send duly completed Ballot Form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutiniser, Ms. Savita Jyoti, Savita Jyoti Associates, Practising Company Secretaries, C/o. Karvy Computershare Private Limited, Unit : Prism Cement Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, so as to reach by 5.00 p.m. on September 7, 2015. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.

**D. GENERAL INSTRUCTIONS :**

- i. The e-voting period commences from 9.00 a.m. on September 4, 2015 and ends at 5.00 p.m. on September 7, 2015. During this period, the

members of the Company, holding shares either in physical form or in demat form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter.

- ii. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- iii. In the event a member casts his votes through both the processes i.e. e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- iv. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [einward.ris@karvy.com](mailto:einward.ris@karvy.com) by mentioning their Folio / DP ID and Client ID No.
- v. The Scrutiniser shall immediately after the conclusion of voting at the 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 forty-eight hours of conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or any other Director, who shall counter sign the same. The results shall be declared by the Chairman/any other Director/Company Secretary forthwith.
- vi. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed as passed on the date of the Meeting. The Resolutions proposed to be considered through voting by electronic means shall not be withdrawn.
- vii. The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.prismcement.com](http://www.prismcement.com) and on Karvy's website [www.evoting.karvy.com](http://www.evoting.karvy.com) and shall also be communicated to the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

By Order of the Board of Directors,  
**Aneeta S. Kulkarni**  
Company Secretary

Place : Mumbai  
Date : August 5, 2015

## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out the material facts relating to Item Nos. 4 to 7 mentioned in the accompanying Notice dated August 5, 2015.

### Item No. 4

The Articles of Association of the Company currently in force were originally adopted when the Company was incorporated under the Companies Act, 1956. The Articles of Association were amended from time to time in accordance with the provisions of the Companies Act, 1956. With the introduction of the Companies Act, 2013, it is proposed to amend the existing Articles of Association to make it consistent with the provisions of Companies Act, 2013 including the Rules framed thereunder.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection by members at the Registered Office of the Company at Hyderabad and Corporate Office of the Company at Mumbai between 10.00 a.m. and 1.00 p.m. on any working day, except Saturday, up to the date of the Meeting and during the Meeting. The proposed draft Articles of Association is available on the Company's website at [www.primcement.com](http://www.primcement.com) for perusal by the members.

The Board recommends passing of the Resolution at Item No. 4 of the Notice, as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

### Item No. 5

The Authorised Share Capital of the Company at present is ₹ 525,00,00,000/- (Rupees Five Hundred and Twenty Five Crores only) divided into 50,50,00,000 (Fifty Crores Fifty Lakhs) Equity shares of ₹ 10/- (Rupees Ten) each aggregating to ₹ 505,00,00,000/- (Rupees Five Hundred Five Crores only) and 2,00,00,000 (Two Crores) Preference Shares of ₹ 10/- (Rupees Ten) each, aggregating to ₹ 20,00,00,000/- (Rupees Twenty Crores only). The Company does not propose to issue any preference shares in the future. It is, therefore, proposed to reclassify the existing unissued Preference Shares into Equity shares of the Company i.e. 2,00,00,000 (Two Crores) Preference Shares of ₹ 10/- (Rupees Ten) into 2,00,00,000 (Two Crores) Equity shares of ₹ 10/- (Rupees Ten) each, aggregating to ₹ 20,00,00,000/- (Rupees Twenty Crores only).

The total Authorised Share Capital post reclassification shall remain unchanged.

The alterations proposed in the Capital Clause of the Memorandum of Association of the Company are only consequential to reflect the reclassification of the Authorised Share Capital of the Company.

A copy of the Memorandum of Association of the Company together with proposed alterations is available for inspection by members at the Registered Office of the Company at Hyderabad and Corporate Office of the Company at Mumbai between 10.00 a.m. and 1.00 p.m. on any working day, except Saturday, up to the date of the Meeting and during the Meeting. The proposed draft Memorandum of Association is available on the Company's website at [www.primcement.com](http://www.primcement.com) for perusal by the members.

The Board recommends passing of the Resolution at Item No. 5 of the Notice, as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

### Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. N. I. Mehta & Co., Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 at a remuneration of ₹ 8,25,000/-, in addition to applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

The Board recommends passing of the Resolution at Item No. 6 of the Notice, as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

### Item No. 7

As per Section 42 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to Non-convertible Debentures ("NCDs") on a private placement basis, is required to obtain the prior approval of members by way of a special resolution. Such an approval by way of special resolution may be obtained once a year for all the offers and invitations made for such NCDs during the year.

NCDs issued on private placement basis are a significant source of borrowings for the Company. The borrowings of the Company as on the date of notice consists of secured NCDs and Fund & Non-fund based Credit Facilities from Banks by way of Cash Credit/Overdraft/Short Term Loan/WCDL/LC/BG, etc. The Company has borrowed ₹ 800 crores by way of NCDs at competitive costs due to which the average cost of borrowing has reduced. The Company seeks to pass an enabling resolution to borrow funds in addition to the existing borrowing to meet its requirement of funds for repayment/reduction of high cost borrowings, working capital requirements and general corporate purposes.

The members had, through Postal Ballot on June 20, 2014 approved a similar resolution which was valid for a year. Therefore, the approval of the members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 7, within the overall borrowing limits of the Company, as approved by the members from time to time.

The Board recommends passing of the Resolution at Item No. 7 of the Notice, as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

CIN : L26942AP1992PLC014033

**Registered Office :**

305, Laxmi Niwas Apartments,  
Ameerpet, Hyderabad - 500 016  
Phone : +91 40 2340 0218 ; Fax : +91 40 2340 2249  
email : investor@prismcement.com  
website: www.prismcement.com

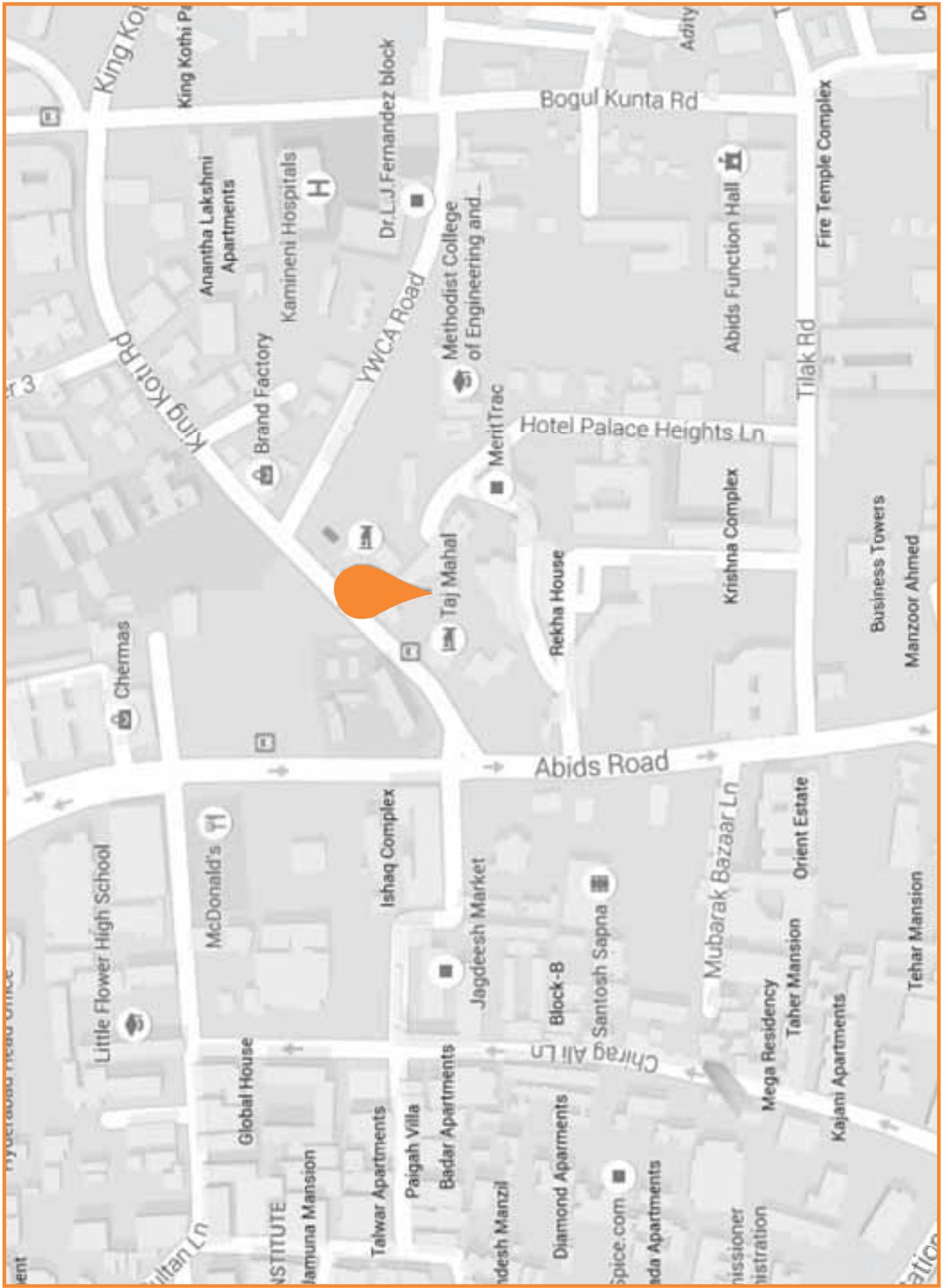
**Details of Director seeking re-appointment as required under Clause 49 of the Listing Agreement with the stock exchanges :**

<b>Name of Director</b>	Mr. Rajesh G. Kapadia
<b>DIN</b>	00003272
<b>Date of Birth</b>	02.11.1956
<b>Expertise in specific functional areas</b>	Consultant
<b>Qualification</b>	B. Com., FCA
<b>No. of Equity shares held</b>	–
<b>List of outside Company Directorships held</b>	<ol style="list-style-type: none"> <li>1. Exide Industries Limited</li> <li>2. EIH Associated Hotels Limited</li> <li>3. Goldiam International Limited</li> <li>4. Goldiam Jewellery Limited</li> <li>5. Exide Life Insurance Company Limited</li> </ol>
<b>Chairman/Member of the Committees of Directors of other Companies in which he is a Director</b>	
<b>Audit Committee</b>	<ol style="list-style-type: none"> <li>1. Exide Industries Limited - Chairman</li> <li>2. EIH Associated Hotels Limited - Member</li> <li>3. Goldiam International Limited - Chairman</li> <li>4. Goldiam Jewellery Limited - Chairman</li> <li>5. Exide Life Insurance Company Limited - Chairman</li> </ol>

By Order of the Board of Directors,

**Aneeta S. Kulkarni**  
Company Secretary

Place : Mumbai  
Date : August 5, 2015



King Kothi Rd

King Kothi P

Bogul Kunta Rd

Adity

Anantha Lakshmi  
Apartments

Kamineni Hospitals

H

Dr.L.J.Fernandez block

Methodist College  
of Engineering and...

Abids Function Hall

Fire Temple Complex

Brand Factory

YWCA Road

Merit Trac

Hotel Palace Heights Ln

Tilak Rd

King Kothi Rd

Taj Mahal

Rekha House

Krishna Complex

Business Towers

Manzoor Ahmed

Chermas

Abids Road

Little Flower High School

McDonald's

Ishaq Complex

Jagdeesh Market

Block-8

Santosh Sapna

Mubarak Bazaar Ln

Orient Estate

Tehar Mansion

Global House

Talwar Apartments

Paigah Villa

Badar Apartments

Indesh Manzil

Diamond Aparments

Spice.com

Kajani Apartments

Mega Residency

Taher Mansion

Kajani Apartments

INSTITUTE

Jamuna Mansion

Commissioner  
Administration

Police



# PRISM CEMENT LIMITED

CIN : L26942AP1992PLC014033

Registered Office : 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016

Phone : +91 40 23400218 ; Fax : +91 40 23402249 ; email : investor@prismcement.com ; website : www.prismcement.com

## ATTENDANCE SLIP

(To be presented at the entrance)

**23<sup>RD</sup> ANNUAL GENERAL MEETING ON TUESDAY, SEPTEMBER 8, 2015 AT 9.30 A.M.**

at Taj Mahal Hotel, 4-1-999, King Koti Road, Abids, Hyderabad - 500 001

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

# PRISM CEMENT LIMITED

CIN : L26942AP1992PLC014033

Registered Office : 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016

Phone : +91 40 23400218 ; Fax : +91 40 23402249 ; email : investor@prismcement.com ; website : www.prismcement.com

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) : .....

Registered address : .....

E-mail ID : .....

Folio No./Client ID : ..... DP ID .....

I/We, being the member(s) holding ..... Shares of **Prism Cement Limited**, hereby appoint

1. Name : ..... E-mail ID : .....

Address : .....  
..... Signature : .....

or failing him

2. Name : ..... E-mail ID : .....

Address : .....  
..... Signature : .....

or failing him

3. Name : ..... E-mail ID : .....

Address : .....  
..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on September 8, 2015 at 9.30 a.m. at Taj Mahal Hotel, 4-1-999, King Koti Road, Abids, Hyderabad - 500 001, and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business

1. Adoption of Audited Financial Statements for the year ended March 31, 2015.
2. Re-appointment of Director retiring by rotation.
3. Ratification of Appointment of Auditors.

### Special Business

4. To adopt new Articles of Association of the Company.
5. Reclassification of the Authorised Share Capital and Alteration of the Memorandum of Association of the Company.
6. To ratify remuneration of the Cost Auditors of the Company.
7. Private Placement of Non-convertible Debentures and/or other Debt Securities.

Signed this ..... day of ..... 2015

Signature of shareholder.....

Signature of Proxyholder(s).....

Affix  
Revenue  
Stamp

- Notes**
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
  2. Please complete all details including details of member(s) in above box before submission.



# Our Presence



**Note:** The map is as of March 31, 2015. It is illustrative and not drawn to scale. Andaman & Nicobar and Lakshadweep islands are not shown.



## PRISM CEMENT LIMITED

