

DALMIA CEMENT (BHARAT) LIMITED

ANNUAL REPORT

2014-15

CORPORATE INFORMATION

Board of Directors

G.N.Bajpai
Chairman

GautamDalmia
Managing Director

Puneet Yadu Dalmia
Managing Director

Mahendra Singhi
Whole-time Director

T.Venkatesan
Deputy Managing Director

Jai Hari Dalmia

YaduHari Dalmia

N.Gopalaswamy

Sanjay Nayar

Rajeev Gupta

Paul Heinz Hugentobler

Sudha Pillai
(w.e.f. 20-3-2015)

Company Secretary

Manisha Bansal

Statutory Auditors

S.R.Batliboi & Co. LLP
S.S.Kothari Mehta & Co.

Corporate Office

11th& 12th Floor,
Hansalaya Building
15, Barakhamba Road
New Delhi-110001

Registered Office:

Dalmiapuram-621651
District Tiruchirapalli
Tamil Nadu

Debenture Trustee

1. IL & FS Trust Company
Limited
The IL & FS Financial Center
Plot C-22, G Clock,
BandraKurla
Complex, Bandra (E)
2. Axis Trustee Services Ltd.
IInd Floor, Red Fort Capital
Parsvnath Tower,
Bhai Veer Singh Marg,
New Delhi-110 001

Bankers

Punjab National Bank
State Bank of India
Axis Bank
Corporation Bank
Oriental Bank of Commerce
Canara Bank
India Bank
Ratnakar Bank
Bank of Maharashtra
LIC
IDBI Bank
ICICI Bank
Yes Bank
HSBC
Landesbank

DALMIA CEMENT (BHARAT) LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Scenario and Outlook:

India Economy:

The return of a majority government lifted the hope of translating this political stability into steady policy reforms and sustained economic growth. Government's committed focus on reviving economic growth through easing of FDI norms, impetus on infrastructure development and focus on making India a global manufacturing hub with 'Make in India' strategy are encouraging with arrest of inflation, rate cuts initiated and strengthening of fiscal and current account deficit of the country were significant structural improvement achieved in the fiscal year 2014-15 which augur well for sustained developmental growth. The GDP growth rate, as per new base, recorded a 50 bps increase to reach 7.4% as against 6.9% in the previous year. The growth was led by the core sectors of manufacturing, utilities and construction while agricultural activities recorded a drop in their growth and the services sector recorded a moderate growth.

Cement industry:

India is the second largest Cement manufacturer in the World with total installed capacity of around 400MnT. The housing sector, with 67% consumption share, is the largest consumer of Cement in India; followed by infrastructure (13%), commercial construction (11%) and industrial construction (9%). The Cement demand in India is expected to grow at a compound annual growth rate (CAGR) of 8.96% during the period 2014-2019.

FY15 witnessed a moderate improvement in cement demand as compared to corresponding period of previous year. The uptrend, though, is expected to strengthen over the coming quarters with the positive movement in macro-economic indicators. The number of policy initiatives taken by the Government such as Housing for All, AMRUT (Atal Mission for Rejuvenation and Urban Transformation) scheme and "Smart Cities" project are expected to accelerate demand growth. The slowing pace of capacity addition shall lead to improvement in utilization levels for the industry, which has witnessed the underutilization hitting a decadal low on a pan-India basis during FY15. The expected acceleration of demand growth coinciding with the tapering down of capacity addition should help improve capacity utilization.

Outlook

The industry going forward is expected to witness an impetus for demand due to many ambitious schemes proposed by the central government such as 100 smart cities, 'Housing for All' by 2022 and Swachh Bharat Abhiyaan. Also the government has enhanced its focus of road development with plans to commence stalled projects. The road ministry has also targeted to increase per day highway development from current less than 10 Kms a day to 30 Kms a day in the next two years. India is also currently very well placed in the global economy to post a steady growth leading to increased demand for construction materials.

Company Overview:

Dalmia Cement (Bharat) Ltd (DCBL) is an 85% subsidiary of Dalmia Bharat Ltd. The balance stake is owned by Kohlberg Kravis Roberts (KKR). The total consolidated capacity of Company is 24 MnT having operations in South, East and North East of India.

The Company has increased the stake in OCL India Ltd from 45.4% to 74.6% during the year, thereby making OCL India Ltd its subsidiary.

Your company has completed the transaction of 100% acquisition of Bokaro Jaypee Cement Limited in FY15, which is now wholly owned subsidiary of DCBL. It has been renamed as Dalmia Cement East Ltd (DCEL) having manufacturing capacity of 2.1 MnT per annum. DCEL has 30 years agreement for supply of Clinker and slag from adjoining steel plant of SAIL. Dalmia is now one of the largest Portland slag cement manufacturer in India.

DCBL has 26% stake in DCB Power Ventures Ltd (DCBPVL) which has 99 MW of power capacity. DCBPVL supplies its entire power to Dalmia Cement (Bharat) Ltd which serves more than 80% of the power requirement of our Company's cement operations.

In Southern India, the Company has increased the cement capacity by 2.5 MnT with the commissioning of Belgaum Unit at Karnataka during the year under review which takes our total installed cement capacity to over 10 Mnt.

The manufacturing facilities of Company in Southern India has increased from two states (Tamil Nadu and Andhra Pradesh) to three states (Tamil Nadu, Andhra Pradesh and Karnataka) in FY2015. We have two manufacturing units at Dalmiapuram and Ariyalur in Tamil

DALMIA CEMENT (BHARAT) LIMITED

Nadu, Kadapa in Andhra Pradesh and newly commissioned plant at Belgaum, Karnataka. Our market reach has increased over the years from two states (Tamil Nadu and Kerala) to five states (Tamil Nadu, Kerala, Andhra Pradesh, Karnataka and Maharashtra).

OPERATIONS REVIEW

Our company was able to maintain its market share position in South inspite of decrease in volume and low demand in Southern states.

OPERATIONS IN SOUTH

In South, we continued our cost reduction drive in FY15 which reflected in our average variable cost for the year. Our variable cost in South reduced from ₹ 1,582/T in FY2014 to ₹ 1,566/T in FY2015 in spite of cost pressure on account of increase in limestone royalty.

Our key focus is to use most economic fuel by making necessary process adjustments. We managed to reduce power and fuel cost through fuel mix change and reduction in power consumption. Our power and fuel cost reduced from ₹1133/T in FY2014 to ₹1046/T in FY2015. Our overall power consumption reduced from 72 Kwh/T to 71 Kwh/T, thereby leading to reduction in power cost. Our power consumption per tonne of cement produced is one of the lowest in the industry. Also, we were able to improve upon the CC ratio from 1.23 in FY2014 to 1.26 in FY2015.

More cost reduction initiatives are planned for FY16 to further reduce the cost and improve the operational efficiency of the plants. In FY 15 efficiency improvement initiatives in CPP operations resulted in lower Auxiliary consumption (11.1% to 10.6%) and lower heat consumption by almost 40 Kcal/Kwh.

During the year, your company was able to significantly reduce the usage of fossil fuel, thereby reducing our carbon footprint. In FY15, we were able to use 67% of pet coke (heat basis). By the end of the year, we touched a level of around 78% pet coke in all kilns. Our Kadapa plant runs at 81% pet coke and rest on alternate fuel. We also replaced Lignite with the low cost pet coke in CPP to get more savings than using Lignite last year.

OPERATIONS IN NORTH EAST

Our market share in North-East was 15% for the year under review. We expect to gradually to widen our presence in North East with the newly commissioned Clinker unit in Assam. The company is also focusing

on cost reduction initiatives. The variable cost of North East plants decreased from ₹ 2700 per tonne in 2010-11 to ₹ 1500 per tonne in 2014-15, strengthening its competitiveness.

OPERATIONS IN EAST

A newly commissioned in March, 2014, a split grinding unit of 1.35 MnT at Medinipur, West Bengal in OCL India has strengthen our position in East India and also allowed us to optimise our selling and distribution cost. We were able to quickly ramp up the Medinipur unit to 80% capacity utilization at the exit of FY15. OCL clocked 24% growth in volumes in FY15 as compare to previous year.

MARKETING INITIATIVES

The Company conducted a first-of-its-kind activity in Tamil Nadu spread across 67 major stations with 1,100 railway station name boards. This gave the Company an exposure to about 50% of the average passenger traffic per year of 20 crores, almost three times the population of the state.

The Company initiated an election awareness campaign across 100 key locations in Coimbatore and Madurai. The Company conducted an extensive outdoor branding campaign during the Sabarimala season when the average traffic is around 60% of the annual five crore pilgrims from across the country.

The Company conducted nine dealer meets in nine cities across four states in 45 days, engaging 3,000+ dealers and 4,000 + attendees.

Events like movie outings with dealers and their families and New Year's celebrations were conducted to engage with dealers.

For the ICC World Cup, it was the first time any regional channel telecasted the event live and Dalmia Bharat was the only cement company to participate as an advertiser in the regional telecast.

The Company also conducted road shows to ensure last-mile awareness. The shows were conducted across dealer locations, high-footfall marketplaces, weak markets and construction sites targeting masons and construction workers. A Street-play demonstrating the product proposition besides corporate visuals, interactive sessions and flyers helped enhance awareness. The result is that new dealers were appointed in this region immediately after the road show event.

DALMIA CEMENT (BHARAT) LIMITED

FINANCIAL PERFORMANCE

PROFIT & LOSS ACCOUNT ANALYSIS

Total Income

The Company's Gross Operating Income stood at ₹ 2712 crores in FY2015, increased by 2% YoY as compared to ₹ 2649 crores in FY2014.

Operating Expenditure

Total operating expenditure of the Company stood at ₹ 1937 crores in FY2015 as compared to ₹ 1956 crores, decrease of 1% YoY.

- Raw material cost was marginally increased by ₹ 21 crores to ₹ 258 crores in FY15 as against ₹ 238 crores in FY14
- Power & Fuel cost incurred in FY2015 was at ₹ 579 crores as compared to ₹ 682 crores, decrease by 15%
- Freight and Forwarding cost stood at ₹ 429 crores in FY2015, as compared to ₹ 415 crores in FY2014. Prevention of overloading in South have led to higher logistics cost.
- Employee cost stood higher at ₹ 142 crores in FY2015, on account of provision of salary hikes.
- Other expenses incurred during the year stood at ₹ 515 crores, up by 7% as against ₹ 482 crores in FY2015.

Operating EBITDA

Operating EBITDA increased in FY2015 to ₹ 439 crores from ₹ 362 crores in FY2014, growth of 21%.

Depreciation

Depreciation cost for the year under review stood at ₹ 173 crores in FY2015 as against ₹ 161 crores in the previous year, up 7% YoY.

Financial Charges

The financial charges increased to ₹ 253 crores in FY15 from ₹ 218 crores in FY14 on account of higher debt in the books.

Other Income

Other Income for the year was ₹ 62 crores up from ₹ 35 crores in FY2015, mainly on the back of higher profit booked on sale of investments which stands at ₹ 47

crores for the current year as compared to ₹ 27 crores in the previous year.

Total Tax Expense

Total Tax Expense stood at ₹ 40 crores, lower by 1% on YoY basis, which mainly includes current tax of ₹ 24 crores, MAT Credit entitlement of ₹ 24 crores and Deferred Tax Charge of ₹ 41 crores.

Net Profit

Net Profit for FY2015 was to the tune of ₹ 68 crores in FY2015 from ₹ (8) crores in FY2014 mainly on account of better management of operations.

BALANCE SHEET ANALYSIS

Net worth

Total Net worth of the company stood at ₹ 2959 crores in FY2015, compared to ₹ 2898 crores in FY2014. The same comprised of following:

- Paid-up Equity Capital stood at ₹ 253 crores as on March 31, 2015 comprising 252,919,005 equity shares of ₹ 10 each (Fully paid-up).
- The Company's Reserves and Surplus was to the tune of ₹ 2706 crores in FY2015. Of this, the surplus in Profit & Loss Account was ₹ 209 crores and appropriations to Debenture Redemption Reserves were attributed to the tune of ₹ 168 crores.

Loan Profile

The Total Loan funds of the Company stood at ₹ 4727 crores in FY2015 and ₹ 3022 crores in FY2014.

Total Assets

Total Assets of the Company increased to ₹ 8318 crores in FY2015 from ₹ 6457 crores.

Net Fixed Assets including CWIP of the Company stood at ₹ 3894 crores as against ₹ 3720 crores, contributing 47% to the Total Assets of the Company.

Non-current Investments

Non-current investments of the Company stood at ₹ 2662 crores. Now company has stake of 74.6% in OCL Limited.

Inventories

Inventories stood at ₹ 242 crores in FY2015 decreased by 2% as compared to ₹ 246 crores in FY2014. This

DALMIA CEMENT (BHARAT) LIMITED

comprises of Stores & Spares to the tune of ₹ 146 crores (60%), Work In Progress of ₹ 46 crores (19%), Raw Material Inventory of ₹ 18 crores (8%) and Finished Goods Inventory of ₹ 22 crores (9%).

Sundry Debtors

The debtors of the company stood at ₹ 145 crores in FY2015, of which only ₹ 1 crore are more than six months old.

Loans and Advances

Total Loans and Advances amounted to ₹ 840 crores, comprised of 10% of the Company's total assets wherein Short Term Loans and Advances were ₹ 545 crores, primarily on account of subsidy receivable.

Cash & Bank Balance

The Company had a Cash & Cash Equivalents of ₹ 533 crores on 31st March 2015, as compared to ₹ 406 crores in FY2014.

Current Liabilities

Current Liabilities other than short term borrowings of ₹ 360 crores and ₹ 326 crores pertaining to current maturities of long term loans stood at ₹ 1037 crores comprising mainly of trade payables of ₹ 201 crores.

RESEARCH & DEVELOPMENT

Research and Development (R&D) plays an important role in sustaining competitive position in the market and supporting growth of organisation. Not only this is essential in developing niche high value-added and differentiated products, but also essential for creating new knowledge about scientific and technological trends for enabling the development of new products, processes, and services.

Our R&D has helped in having competitive advantage in terms of product performance and efficient manufacturing, giving us the ability to create sustainable wealth for stakeholders.

The following are the key focus areas of R&D programme that concentrated on generating better returns and overall cost reduction:

- Re-orientation of raw mix design & fuel mix
- Increase in Fly ash absorption in PPC
- Usage of alternate raw materials and fuels

- Quality improvement through usage of high performance chemical admixtures

We carried out continuous R&D to find ways in which we can run our cement plants at optimum capacity and to develop solutions and products to suit the growing demand for green infrastructure and affordable housing.

We are also looking at new and innovative approaches to construction, taking into account social, economic and environmental imperatives.

During the year, we collaborated with institutes for conducting scientific research to address sustainable construction and global warming challenges. We continue to conduct tests to evaluate the suitability of using waste in the cement industry, contributing substantially towards sustainable development. Going forward, the Company plans to continue conducting R&D to improve cement quality and increase Fly Ash and Slag addition in PPC and PSC; on designing and developing of products and processes and on increasing the usage of alternative fuels and raw materials.

MANAGEMENT OUTLOOK

With the formation of a stable Government we hope FY2016 to be a better year than FY2015. We anticipate an increase in demand from construction and infrastructure projects. We aspire to have a pan-India presence.

Our strategy in containing costs and continuously improvising on efficiency parameters have helped us to effectively navigate through difficult times faced by the Industry. We aim to further optimise our variable and fixed costs, which will help in improving our financial performance.

Going forward, we will continue to grow our business consistently and our footprints. Looking into the near term, our key focus area is to maximise utilization of our newly commissioned units at Assam and Karnataka.

HUMAN RESOURCES

We believe that employees are the most valuable assets of our Organization. Our prime objective is employee engagement and development of world class culture. The culture right down to the last man is what graduates a good company into a great one. At Dalmia Bharat, we are on a journey in this direction, where managers and employees respond like entrepreneurs. We are pleased to state that some of the achievements by the company

DALMIA CEMENT (BHARAT) LIMITED

in the last few years - on the shop floor and elsewhere - indicate that we are a differently-wired people-driven organisation.

The company conducts need based training at regular intervals for the employees. The training focusses on building and enhancing leadership qualities, team spirit and technical knowledge.

CORPORATE SOCIAL RESPONSIBILITY

Dalmia Cement (Bharat) Limited is a part of Dalmia Bharat Group which was founded in 1935 and has been following the concept of giving back and sharing with the under privileged sections of the society for more than seven decades. The prime objective of our CSR Policy is to hasten social, economic and environmental progress of community at large. We remain focused on generating systematic and sustainable development for local communities surrounding our plants and project sites.

The CSR activities are being directly implemented by Dalmia Bharat Group Foundation (DBGF) at all locations in a project-mode, with specified timelines and deliverables. Our focus areas are:

- ***Soil & Water Conservation***
- ***Promoting Renewable Energy***
- ***Livelihood & Skill Development through conducting various training programmes***
- ***Social Development in the areas of building necessary infrastructure like School Sanitation blocks, low cost toilets, community halls, school buildings etc. and organizing regular health check up camps.***

INFORMATION MANAGEMENT (IM)

Leveraging technology for enhancing agility, time to market bringing efficiency and optimising costs, has been the cornerstone of Dalmia Group strategy. Over the years the group has experienced steady growth with a number of acquisitions and expansion in the last three years. Technology is viewed in the group as a key business enabler and force multiplier which improves our competitiveness and makes us leaders in our industry.

The year 2015 has seen Dalmia Group continuing its rollout of the SAP Cement Template to the new plants and acquired entities. Successful integration of new entities was fast tracked through a well-orchestrated

SAP roll out for Belgaum, Bokaro and Umrangshoo plants. To ensure implementation of industry best practises across the Group entities, Dalmia further plans to consolidate and standardize on the SAP Cement template across all business lines this year.

Leveraging the value of technology through key drivers like cloud and SaaS (software as a service), has been the focus during the year. The Group sees these technologies as key enablers and force multipliers for bringing in business and cost efficiencies.

Our Company understands that future businesses would be done and conducted in digital era. Accordingly, major strides have been taken in the future technologies of Cloud and Social digital network. Yammer and O365 are some the key technologies which the Company has introduced in FY2014.

INTERNAL CONTROLS & SYSTEMS

The Company has an appropriate and adequate system of internal control to ensure that all its assets are safeguarded. The Company has established an internal audit department, which ensures adequate review of the whole Company's internal control systems through its audit partners. The effectiveness of internal controls is continuously monitored by the Corporate Audit Department. The Corporate Audit's main focus is to provide to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's risk management control and governance process. The Corporate Audit group also ensures the implementation of the remedial actions and improvement in business processes. The audit activities are undertaken as per the annual audit plan, which is developed based on risk profile of the business process and in consultation with the outsourced firms and statutory auditors. The audit plan is approved by the audit committee, which regularly reviews compliance to the approved plan. The audit department also does suitable enhancement to the audit plan based on the current business operating scenario. The company is also working extensively to make sure that the Internal Financial Control (IFC) reporting framework that is prescribed as per Companies Act, 2013 is complied with as per the satisfaction of the certifying authorities.

KEY RISKS & CONCERNS

A fairly diversified nature of our business is a clear indication of the need to have an effective Risk Management Programme in place. We have several

DALMIA CEMENT (BHARAT) LIMITED

processes that test robustness of our systems, evaluate compliance across business units and encourage continuous improvements. These include compliance periodic reviews of our policies and procedures as well as regular internal audits. Enumerated below are some key risks and concerns in the cement business:

- 1. Industry Risk:** Cement industry is highly cyclical in nature and witnesses seasonal reduction in consumption during monsoon season.

Risk Mitigation: In view of growth in demand for cement, the Company has been ramping up its capacities. There is careful evaluation done to evaluate regional mismatches and deploy capacities to minimise cyclical risks.

- 2. Commodity Price Risk:** Risk of price fluctuation on raw materials, energy and finished goods.

Risk Mitigation: Our multi-fuel capable kiln/power plants help in optimising our fuel mix, whereas the setting up of captive power plants reduces the effect of rise in energy costs.

- 3. Interest Rate Risk:** Any increase in interest rates can affect our financing costs.

Risk Mitigation: Use of interest rate swaps in forex borrowings, regular monitoring of interest rate trends and judicious use of fixed and floating rate debt can mitigate the interest rate risk.

- 4. Foreign Exchange Risk:** Any volatility in currency market can impact our performance and profitability.

Risk Mitigation: We follow a policy of hedging our long-term and short-term foreign exchange exposure. Also our differential short-term exposure between exports and imports is suitably hedged which enables us to mitigate forex risk.

CAUTIONARY STATEMENT

Statements made in this report describing industry outlook as well as the Company's plans, policies and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

DALMIA CEMENT (BHARAT) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31st MARCH, 2015

The Directors have pleasure in presenting the Nineteenth Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS

	Amount (₹ in Crores)	
	FY 15	FY 14
Net Sales	2376.12	2318.33
Profit before interest, depreciation and tax (EBITDA)	540.30	411.74
Less: Finance Cost	253.24	217.72
Profit before depreciation and tax (PBDT)	287.06	194.02
Less: Depreciation	172.60	161.40
Less: Exceptional items	(6.12)	(0.28)
Profit before tax (PBT)	108.34	32.34
Provision for current tax	-	11.95
Provision for deferred tax	40.66	23.75
Prior year tax charge (written back)	(0.44)	4.91
Profit/(Loss) after tax (PAT)	68.12	(8.27)
Add: (i) Surplus brought forward	230.07	252.51
(ii) transferred from debenture redemption reserve	32.50	-
Less: Depreciation on account of change in useful life of assets as per Companies Act, 2013 (net of tax)	1.90	-
Profit available for appropriation	328.79	244.24
APPROPRIATIONS:		
Debenture Redemption Reserve (net)	110.83	14.17
Proposed Dividend	9.11	-
Balance carried forward	208.85	230.07
	328.79	244.24

OPERATIONS AND BUSINESS PERFORMANCE

Please refer to the Chapter on Management Discussion and Analysis for a detailed analysis of the performance of the Company during the financial year 2014-15.

DIVIDEND

Your Directors have decided to recommend a final dividend of ₹ 0.36 per equity share of ₹ 10/- each for the current financial year ended on 31st March, 2015 as against Nil dividend in the immediately preceding year.

CHANGES IN BUSINESS

There have been no changes in business carried on by the Company.

CORPORATE GOVERNANCE REPORT

The Company's corporate governance practices have been detailed in a separate Chapter and is attached separately to this Report.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The report on the financial position of the Company's Subsidiaries for the year ended 31st March, 2015 in Form AOC 1 is attached and marked as Annexure - 1 to this report.

The Company has 32 subsidiaries including step down subsidiaries, namely, Ishita Properties Limited, Shri Rangam Properties Limited, Geetee Estates Limited, D. I. Properties Limited, Hemshila Properties Limited, Arjuna Brokers & Minerals Limited, Shri Radha Krishna Brokers & Holdings Limited, Dalmia Minerals & Properties Limited, Sri Subramanya Mines & Minerals Limited, Sri Swaminatha Mines & Minerals Limited, Sri Shanmugha Mines & Minerals Limited, Sri Dhandauthapani Mines and Minerals Limited, Sri Trivikrama Mines and Properties Limited, Sri Madhusudana Mines and Properties Limited, Rajputana Properties Private Limited, Golden Hills Resort Private Limited, Calcom Cement India Limited, Adhunik Cement Limited, OCL India Limited (an associate Company in the last financial year), Dalmia Bharat Cements Holdings Limited, JayeVijay Agro Farms Private Limited and its step down and ultimate Subsidiaries Cosmos Cements Limited, Sutnga Mines Private Limited, Vinay Cement Limited, RCL Cements Limited, SCL Cements Limited, Adhunik MSP Cement (Assam) Limited, Shri Rangam Securities & Holdings Limited, Dalmia Cement East Limited, OCL Global Limited, OCL China Limited and Odisha Cement Limited.

JayeVijay Agro Farms Private Limited became the subsidiary of the Company w.e.f 6th June, 2014; Dalmia Cement East Limited w.e.f 26th November, 2014 and OCL India Limited together with its subsidiaries, namely, OCL Global Limited, OCL China Limited and Odisha Cement Limited became subsidiaries of the Company w.e.f 25th February, 2015

The Company has one joint venture, namely, Khappa Coal Company Private Limited and its subsidiary OCL India Limited has one associate company, Radhikapur

DALMIA CEMENT (BHARAT) LIMITED

(West) Coal Mining Private Limited.

During the said financial year no company ceased to be a subsidiary of the Company or its Subsidiary and other than Radhikapur (West) Coal Mining Private Limited mentioned above, no Company became a joint venture or associate of this Company.

Any member or debenture trustee desirous to inspect the detailed Annual Report of any of the Subsidiaries may inspect the same at the Registered Office of the Company during business hours. The same are also posted on the Company's website at www.dalmiacement.com .

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with Section 129(3) of the Companies Act, 2013 and the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2014-15.

With regard to the Auditors qualification in their report on the Consolidated Financial Statements of the Company for the year ended 31st March, 2015 to the effect that the same have been prepared based on unaudited accounts of Calcom Cement India Limited, a subsidiary ("Calcom") and three of Calcom's subsidiaries, which have been duly approved and certified their respective Board of Directors, the Board is given to understand that the audit of Financial Statements of Calcom and its subsidiaries is still in progress. The observation of Auditors read note no. 62 of the Consolidated Financial Statements is self explanatory and the management is of the view that the Audited Financial Statements of Calcom and its subsidiaries will not result in any material adverse impact on the Consolidated Financial Statements of the Company.

EXTRACT OF ANNUAL RETURN

In compliance with sub-section (3) of section 92 of the Companies Act 2013, the extract of the annual return is attached in Form MGT-9 and forms part of this report as Annexure - 2.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. G.N. Bajpai, Mr. N. Gopaldaswamy and Mr. Rajeev Gupta, Independent Directors, who were appointed for a term of 5 years each effective the conclusion of the last Annual General Meeting held on 28th August, 2014 have each given their declaration that they continue to satisfy the conditions laid down in section 149 of the

Companies Act, 2013 and have affirmed their Independence.

Mr. Paul Heinz Hugentobler, who was appointed as an Additional Director by the Board in its meeting held on 14-5-2014 and had submitted his declaration of Independence was appointed as an Independent Director in the Annual General Meeting of the Company held on 28th August, 2014. Mr. Paul, however, has not affirmed his independence for the coming Financial year and hence is to be considered as non-executive director whose office is liable to be determined by retirement by rotation.

A meeting of Independent Directors excluding all other Directors and Officials of the Company was held as mandated by the provisions of Rule 8 of Schedule IV to the Companies Act, 2013 wherein they reviewed the functioning of the Executive Directors and also the flow of information to the Board.

Mr. J.H. Dalmia and Mr. Y.H. Dalmia retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mrs. Sudha Pillai was appointed as a Director on the Board of Directors, effective 20-3-2015. She ceases to hold office at the conclusion of the ensuing Annual General Meeting. She has given a declaration that she satisfies the requirements laid down in section 149 of the Companies Act, 2013 to qualify as being appointed as an Independent Director of the Company. The Company has received a Notice from a member as required under section 160(1) of the Companies Act, 2013, proposing the name of Mrs. Sudha Pillai for appointment as an Independent Director for a term of 5 years from the conclusion of the ensuing Annual General Meeting. The Board is of the view that Mrs. Sudha Pillai meets with the requirements of section 149(6) of the Companies Act, 2013 and qualifies for being appointed as an Independent Director.

Mr. J.H. Dalmia, Mr. Y.H. Dalmia and Mrs. Sudha Pillai have submitted their respective declarations in Form DIR-8 in terms of section 164(2) of Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.

The Key Managerial Persons, namely, Mr. Gautam Dalmia, Managing Director; Mr. Puneet Yadu Dalmia, Managing Director; Mr. Mahendra Singhi, Whole-time Director and Chief Executive Officer, Mr. Jayesh Doshi, Chief Financial Officer and Ms. Manisha Bansal, Company Secretary, continued to hold their respective offices during the year under review.

DALMIA CEMENT (BHARAT) LIMITED

On the recommendation of the Nomination and Remuneration Committee the Board of Directors has formulated a Nomination and Remuneration Policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub section (3) of section 178. The policy with regard to matters specified in section 178 of the Companies Act, 2013 is attached as Annexure 3 to this report.

The Board of Directors has conducted a formal annual evaluation of its own performance, the performance of its Committees and individual Directors and have found the same to be satisfactory. Such performance was based on growth, performance and other factors as per the remuneration policy of the Company.

BOARD OF DIRECTORS, COMMITTEES AND MEETINGS

Reference is invited to the attached Corporate Governance Report for the details thereof.

The Board has accepted all recommendations made by the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted the CSR Committee which has approved the CSR Policy. The Committee decided to expend an amount of ₹ 3.45 crores, (which is 2% of average net profits of the Company made during three immediately preceding Financial Years) on CSR activities covering eradication of extreme hunger and poverty, promotion of education including special education, ensuring environmental sustainability and ecological balance, etc. health, sanitation, education and environment sustainability of which an amount of ₹1.97 crores has been incurred during the relevant previous year leaving a balance of ₹ 1.49 crores. Projects are under way that would ensure that the balance is also spent during the forthcoming year.

The CSR policy is available on the web site of the Company at <http://www.dalmiacement.com/upload/pdf/DCBL-CSR-POLICY.pdf>.

The Annual Report on Corporate Social Responsibility activities in terms of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure - 4 and forms part of this Report

RISK MANAGEMENT

A Risk Management Committee has been formed by the Board with the object of identifying the element of

risks and development and implementation of a risk management policy.

The Committee has engaged professionals to assist them in their duties and the comprehensive risk management policy alongwith the framework document is expected to be in place by the end of the current financial year.

RELATED PARTY TRANSACTIONS

The particulars of material contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is attached in Form AOC - 2 and forms part of this report as Annexure - 5.

INVESTMENTS, LOANS AND GUARANTEES

The particulars of investments made and securities/ guarantees given by the company are furnished in Note No. 13 and 46 of the standalone financial statements. The particulars of loans given by the company and the purpose for which the same were given are furnished in Note. No. 54 of the standalone financial statements.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statements. The said financial controls have been tested and no reportable material weakness in the design and operations were observed.

Further a professional firm is being appointed to assist in documenting existing process for internal financial control.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

The Whistle Blower Policy of the Company has been formulated with a view to provide for adequate safeguards against victimisation of persons who use such mechanism and provide for direct access to the Chairperson of the Audit Committee in appropriate cases. The said policy has been uploaded on the website of the Company at <http://www.dalmiacement.com/upload/pdf/Dalmia-whistle-Blower-Policy-VigilMechanism.pdf>.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013 your Directors state that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and no departures have been made there from;

DALMIA CEMENT (BHARAT) LIMITED

- (b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants and M/s. S.S. Kothari Mehta & Co., Chartered Accountants, the Joint Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. They have held office as the Statutory Auditors for a period of 5 years and their appointment can be renewed for a further period of five years in accordance with section 139 of the Companies Act, 2013.

The Company has obtained from each of them a letter to the effect that they satisfy the criteria as prescribed in section 141 of the Companies Act, 2013 and that their re-appointment, if made, would be in conformity with the limits prescribed in the said Section.

COST AUDITOR

M/s. R.J. Goel & Co., Cost Accountants, were appointed as the Cost Auditors of the Company to conduct cost audit of the cement manufacturing and power generation units for the year ended 31-3-2014, and they have submitted the Cost Audit Reports for the said year on 30-7-2014. The said firm had been re-appointed as Cost Auditors to conduct cost audit of the cement manufacturing units and power generation units for the

year ended 31-3-2015 and their report will be submitted within the time permitted under the law. The Board has again re-appointed them as Cost Auditors to conduct the Cost Audit for the year to end on 31st March, 2016 and have approached the Shareholders to approve their remuneration in terms of section 148(10) of the Companies Act, 2013.

SECRETARIAL AUDITOR AND REPORT THEREOF

The Board of Directors of the Company appointed Mr. R. Venkatasubramanian, Practising Company Secretary, as the Secretarial Auditor to conduct the Secretarial Audit in terms of section 204 of the Companies Act, 2013. The Report of the Secretarial Audit is attached in Form MR-3 and forms part of this report as Annexure - 6.

COMMENTS ON AUDITORS' OBSERVATIONS

The Reports submitted by the Secretarial Auditors and Statutory Auditors on the Standalone Financial Statements of the Company do not contain any qualification, reservation or adverse remark.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE TRANSACTIONS

A statement giving details of Conservation of Energy, Technology Absorption and Foreign Exchange transactions, in accordance with the Companies (Accounts) Rules, 2014, forms a part of this report as Annexure - 7.

PARTICULARS OF DIRECTORS' AND EMPLOYEES' REMUNERATION

The particulars of remuneration to Directors and Key Managerial Personnel and other particulars required to be furnished under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in Annexure - 8 to this report.

The statement giving particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in Annexure - 9 to this report.

Having regard to the provisions of the first proviso to section 136(1) of the Act and as advised; the printed copy of the Annual Report excluding the aforesaid information is being sent to the members of the

DALMIA CEMENT (BHARAT) LIMITED

company. Any member interested in obtaining such information may write to the company secretary and the same will be furnished on request. The full annual report including the aforesaid information is being sent electronically to all those members who have registered their e-mail addresses and is available on the company's website.

PUBLIC DEPOSITS

The Company has refunded the entire amount of public deposits received by it and no amount remains unpaid as on 31st March, 2015.

ORDERS PASSED BY REGULATORS

No orders have been passed by the regulators or courts or tribunals impacting the status of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No such complaints have been received by the said Committee during the year 2014-15.

HEALTH, SAFETY AND ENVIRONMENT

Health and safety of employees and clean environment receive utmost priority at all locations of your Company.

It has already implemented EHS System and provided safe working environment at its plants and mines. Use of personal protective equipment by employees have become compulsory and training programs on Health, Safety and Occupational Health are being conducted on a continuous basis. Your Company has launched the new Safety and Housekeeping programme during the current year which has substantially improved the plant housekeeping. Our endeavor is to make all our plants safe plants and keep all its employees healthy. Your Company has a philosophy that 'Clean & Green' is more profitable.

INDUSTRIAL RELATIONS

The industrial relations during the year under review remained harmonious and cordial.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the excellent cooperation received from all employees and stakeholders of the Company.

For and on behalf of the Board

Place : New Delhi
Date : 12th May, 2015

G.N. Bajpai
Chairman

P.S.: Annexures mentioned in this Directors Report other than the Corporate Governance Report and Management Discussion and Analysis are attached after the Consolidated Financial Statements.

DALMIA CEMENT (BHARAT) LIMITED

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

Dalmia Cement (Bharat) Limited (DCBL) believes in good Corporate Governance. Your Company's corporate governance practices are driven by strong Board oversight, timely disclosures, transparent accounting policies and high levels of integrity in decision-making. In India, corporate governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through the Clause 49 of the Listing Agreement of the Stock Exchanges as amended from time to time. The Equity Shares of the Company are not listed on any Stock Exchange but the Company ensures compliances with clause 49 of the Listing Agreement, substantially, being a material subsidiary of a listed company, Dalmia Bharat Limited.

Board of Directors

Composition of the Board

As on 31st March, 2015 the Company's Board comprised twelve members - four Executive Directors, eight Non-executive Directors of which four are Independent and one Woman Director. Mr. G.N.Bajpai, a Non-ex-

ecutive Independent Director is appointed as the Chairman of the Board of Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that if the Chairman is Non-executive, and is not related to the promoters or persons occupying management positions at the Board level or at one level below the Board, one-third of the Board should be independent, or else, 50 per cent of the Board should comprise independent Directors.

Number of Board Meetings

The Board of Directors met seven times during the year on 14-5-2014, 30-7-2014, 16-10-2014, 21-11-2014, 27-1-2015, 16-2-2015 and 25-2-2015. The maximum gap between any two meetings was less than 4 months.

Directors' Attendance Record and Directorships Held

As mandated by Clause 49 of the Listing Agreement, none of the Directors are members of more than ten Board level Committees nor are they Chairman of more than five Committees in which they are members. Table 1 gives the details of the composition of the Board, attendance and details of Committee Memberships and Committee Chairmanships.

Table 1: Composition of the Board of Directors

Name of the Directors	Category	Attendance Particulars			No. of other Directorships and Committee Memberships/Chairmanships		
		Number of Board Meetings		Last AGM	Other Directorships @	Committee Memberships #	Committee Chairmanships #
		Held	Attended				
Mr. G.N.Bajpai, Chairman	Independent Non-Executive	7	7	No	8	8	1
Mr. Jai H. Dalmia	Non-Executive	7	5	No	6	-	-
Mr. Y.H. Dalmia	Non-Executive	7	5	No	2	1	1
Mr. N. Gopalaswamy	Independent Non-Executive	7	6	Yes	8	5	2
Mr. Gautam Dalmia Managing Director	Executive	7	4	No	4	1	-
Mr. Puneet Yadu Dalmia Managing Director	Executive	7	4	No	4	1	-
Mr. Mahendra Singhi Whole-time Director	Executive	7	6	No	1	-	-
Mr. T. Venkatesan Deputy Managing Director	Executive	7	6	No	6	2	1
Mr. Rajeev Gupta	Independent Non-Executive	7	5	No	7	4	-
Mr. Sanjay Nayar	Non-Executive	7	6	No	6	-	-
Mr. Paul Heinz Hugentobler	Independent Non-Executive	7	2	No	1	-	-
Mrs. Sudha Pillai*	Non-Executive	7	-	-	4	-	-
Mr. Asanka Rodrigo**	Independent Non-Executive	7	1	No	-	2	-

* Mrs Sudha Pillai appointed as a Director of the Company w.e.f. 20-3-2015.

** Mr Asanka Rodrigo resigned from the Directorship of the Company from the close of the business hours of 14th May, 2014.

DALMIA CEMENT (BHARAT) LIMITED

@ The Directorships held by the Directors do not include Directorship in foreign companies and private limited companies.

As required under Clause 49 of the Listing Agreement, the disclosure includes membership/chairmanship of audit committee and stakeholders' relationship committee of Indian public companies (listed and unlisted).

Mr. Jai Hari Dalmia and Mr. Yadu Hari Dalmia are brothers; Mr. Gautam Dalmia is the son of Mr. Jai Hari Dalmia and Mr. Puneet Yadu Dalmia is the son of Mr. Yadu Hari Dalmia.

As mandated by the revised Clause 49 of the Listing Agreement, the independent Directors on the Company's Board are not less than 21 years in age and:

- is a person of integrity and possesses relevant expertise and experience;
- is or was not a promoter of the company or its holding, subsidiary or associate company;
- is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- neither himself nor any of his relatives -
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial

years immediately preceding the financial year in which he is proposed to be appointed, of -

- (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - holds together with his relatives two per cent or more of the total voting power of the company; or
 - is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
 - is a material supplier, service provider or customer or a lessor or lessee of the company.

Information Supplied to the Board

The Board has complete access to all information with the Company. The agenda and papers for consideration of the Board are circulated at least seven days prior to the date of the Board meeting. Adequate information is circulated as part of the agenda papers and also placed at the meeting to enable the Board to take an informed decision. Inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting.

- Annual operating plans & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company and operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.

DALMIA CEMENT (BHARAT) LIMITED

- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

Remuneration Paid to the Directors and Key Managerial Personnel

The compensation payable to the Executive Directors and Key Managerial Personnel is decided by the Nomination and Remuneration Committee constituted by the Board of Directors. The details of remuneration paid, during the year, to the Executive Directors, Non-Executive Directors and Key Managerial Personnel is presented in Table 2.

Table 2: Details of remuneration paid to the Directors for 2014-15 (₹ crore)

Name of the Director	Category	Sitting Fees	Salary and Perquisites	Retirement Benefits	Commission@	Total
Mr. G.N.Bajpai Chairman	Independent Non-Executive	0.07	-	-	0.25	0.32
Mr. Jai H. Dalmia	Non-Executive	0.03	-	-	-	0.03
Mr. Y.H. Dalmia	Non-Executive	0.03	-	-	-	0.03
Mr. N. Gopaldaswamy	Independent Non-Executive	0.07	-	-	0.06	0.13
Mr. Gautam Dalmia Managing Director	Executive	-	2.19	0.26	-	2.45
Mr. Puneet Yadu Dalmia Managing Director	Executive	-	2.28	0.28	-	2.56
Mr. Mahendra Singhi Whole-time Director	Executive	-	12.28	0.61	-	12.89
Mr. T. Venkatesan* Deputy Managing Director	Executive	-	-	-	-	-
Mr. Rajeev Gupta	Independent Non-Executive	0.03	-	-	0.15	0.18
Mr. Sanjay Nayar	Non-Executive	0.06	-	-	0.06	0.12
Mr. Paul Heinz Hugentobler	Independent Non-Executive	0.01	-	-	0.20	0.21
Mrs. Sudha Pillai**	Non-Executive	-	-	-	-	-
Mr. Asanka Rodrigo***	Independent Non-Executive	0.01	-	-	-	0.01

DALMIA CEMENT (BHARAT) LIMITED

@ Commission paid on net profit only.

* Details not applicable as Mr. T. Venkatesan is drawing salary from Dalmia Bharat Limited, the Holding Company of the Company.

** Details not applicable as Mrs. Sudha Pillai was a Director only for part of the Financial Year 2014-15, i.e. appointed on 20-3-2015.

*** Details not applicable as Mr. Asanka Rodrigo was a Director only for part of the Financial Year 2014-15, i.e. resigned w.e.f 15-5-2014.

Retirement benefits to the Executive Directors and Key Managerial Personnel comprise the Company's contribution to provident fund and superannuation fund. The payment of retirement benefits is being made by the respective fund(s). In addition to the above the Company also contributes, on actuarial valuation basis, amounts to the Gratuity Fund towards gratuity of its employees including the Vice Chairman, Managing Director and Key Managerial Personnel.

The appointments of Mr. Gautam Dalmia and Mr. Puneet Yadu Dalmia as Managing Directors are for a period of 5 years effective 9th February 2011 and the appointment of Mr. Mahendra Singhi as Whole-time Director is for a period of 5 years effective 11th February, 2014. In terms of their appointments, no severance fee is payable to any of them.

Table 3: Attendance record of the Company's Audit Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. N. Gopaldaswamy	Independent, Non-Executive	Chairman	5	5
Mr. G.N.Bajpai	Independent, Non-Executive	Member	5	5
Mr. Sanjay Nayar	Non-Executive	Member	5	5

The Officer responsible for the finance function, the head of internal audit and the representative of the Statutory Auditors and Internal Auditors are regularly invited by the Audit Committee to its meetings. Ms. Manisha Bansal, Company Secretary, is the Secretary to the Committee.

All members of the Audit Committee have requisite accounting and financial management expertise. The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 28th August, 2014.

The functions of the Audit Committee of the Company include the following:

Code of Conduct

The Company follows the code of conduct as laid down for the group as a whole for all Board members and designated senior management of the Company.

Committees of the Board

The Company has four Board-level Committees for Audit, Nomination and Remuneration, Corporate Social Responsibility and Risk Management.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members is taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

a) Audit Committee

As on 31st March 2015, the Audit Committee comprised of three members, Mr. N. Gopaldaswamy, Mr. G.N. Bajpai, Independent Directors and Mr. Sanjay Nayar, Non-Executive Director. Mr. N. Gopaldaswamy is the Chairman of the Audit Committee. The Audit Committee met five times during the year on 14-5-2014, 30-7-2014, 16-10-2014, 27-1-2015 and 16-2-2015. The particulars of attendance of the members in the Meetings of this Committee are given in Table 3 hereunder:

- 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 statement and the Auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;

DALMIA CEMENT (BHARAT) LIMITED

- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitor the end use of funds raised through public offers and related matters.

Apart from the above the Audit Committee is to review the functioning of the Whistle Blower

mechanism of the Company and to carry out any other function that may be referred to it by the Board;

b) Nomination and Remuneration Committee

As on 31st March, 2015, the Nomination and Remuneration Committee comprised of Mr. N. Gopaldaswamy, Mr. G.N.Bajpai, Independent Directors and Mr. Sanjay Nayar, Non-Executive Director. Mr. N. Gopaldaswamy is the Chairman of the Nomination and Remuneration Committee. The Committee met thrice during the year on 15-5-2014, 29-1-2015 and 30-3-2015 and the particulars of attendance of the members in the Meeting of this Committee is set out in Table 4 hereunder:

Table 4: Attendance record of the Company's Nomination and Remuneration Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. N. Gopaldaswamy	Independent, Non-Executive	Chairman	4	3
Mr. G.N.Bajpai	Independent, Non-Executive	Member	4	4
Mr. Sanjay Nayar	Non-Executive	Member	4	4

The Committee is entrusted with the following functions:

- i) identify persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and/or removal;
- ii) carry out evaluation of every director's performance;
- iii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. While formulating the aforesaid policy the Committee shall ensure that-
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management 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.

The Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting of the Company held on 28th August, 2014.

c) Corporate Social Responsibility Committee

As on 31st March 2015, the Corporate Social Responsibility Committee comprised of Mr. N. Gopaldaswamy, Independent Directors as its Chairman, Mr. Puneet Yadu Dalmia, Managing Director and Mr. Mahendra Singhi, Whole-time Director as its members. This Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013. The Committee met twice during the year and the particulars of attendance of the members in the Meeting of this Committee is set out in Table 5 hereunder:

DALMIA CEMENT (BHARAT) LIMITED

Table 5: Attendance record of the Company's Corporate Social Responsibility Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. N.Gopaldaswamy	Independent, Non-Executive	Chairman	2	2
Mr. Puneet Yadu Dalmia	Executive	Member	2	2
Mr. Mahendra Singhi	Executive	Member	2	2

d) Risk Management Committee

As on 31st March 2015, the Risk Management Committee comprised of Mr. Paul Heinz Hugentobler as its Chairman, Mr. N. Gopaldaswamy and Mr. Gautam Dalmia, as its members. The terms of reference to this Committee is to develop and implement a risk management policy for the Company, including identification of elements of risk, if any, which may threaten the existence of the Company. The Committee was constituted in January, 2015 and the first meeting of the Committee took place during the current financial year wherein the Committee has approved the engagement of a Consultant and has outlined its scope of work.

Shares and Convertible Instruments held by Non-Executive Directors

Non-Executive Directors do not hold any shares or convertible instruments in the Company.

Management

Management Discussion and Analysis

The Annual Report has a detailed report on Management Discussion and Analysis.

Disclosures

Related party transactions in the ordinary course of business have been disclosed in Note No. 46 of the attached Standalone Financial Statement of the Company for the year ended 31st March, 2015. No transactions were made that had the possibility of injuring the Company's interests. The Company complied with the regulatory requirements on capital markets. No penalties/strictures have been imposed against it.

The Company has declared dividend for the first time only in 2012. As such, complying with the requirements of Section 125 of the Companies Act, 2013 by remitting all amounts due to be credited to the Investor Education & Protection Fund is not applicable.

Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of Accounting Standards laid down by the Central Government under the provisions of section 129(1) of the Companies Act, 2013 in the preparation of its financial statements.

Details of Non-Compliance by the Company

The Company has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Shareholders

Reappointment/Appointment of Directors

Mr. G.N. Bajpai, Mr. N. Gopaldaswamy and Mr. Rajeev Gupta, Independent Directors, who were appointed for a term of 5 years each effective the conclusion of the last Annual General Meeting held on 28th August, 2014 have each given their declaration that they continue to satisfy the conditions laid down in section 149 of the Companies Act, 2013 and have affirmed their Independence.

Mr. Paul Heinz Hugentobler, who was appointed as an Additional Director by the Board in its meeting held on 14-5-2014 and had submitted his declaration of Independence was appointed as an Independent Director in the Annual General Meeting of the Company held on 28th August, 2014. Mr. Paul, however, has not affirmed his independence for the coming Financial year and hence is to be considered as non-executive director whose office is liable to be determined by retirement by rotation.

Pursuant to the Articles of Association of the Company at every Annual General Meeting of the Company, one-third of the rotational Directors retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third retire from office. Mr. J.H. Dalmia and Mr. Y.H. Dalmia retire by rotation at the

DALMIA CEMENT (BHARAT) LIMITED

ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mrs. Sudha Pillai was appointed as a Director on the Board of Directors, effective 20-3-2015. She ceases to hold office at the conclusion of the ensuing Annual General Meeting. She has given a declaration that she satisfies the requirements laid down in section 149 of the Companies Act, 2013 to qualify as being appointed as an Independent Director of the Company. The Company has received a Notice from a member as required under section 160(1) of the Companies Act, 2013, proposing the name of Mrs. Sudha Pillai for appointment as an Independent Director for a term of 5 years from the conclusion of the ensuing Annual General Meeting. The Board is of the view that Mrs. Sudha Pillai meets with the requirements of section 149(6) of the Companies Act, 2013 and qualifies for being appointed as an Independent Director.

Mr. J.H. Dalmia, Mr. Y.H. Dalmia and Mrs. Sudha Pillai have submitted their respective declarations in Form DIR-8 in terms of section 164(2) of Companies Act, 2013

read with Companies (Appointment and Qualification of Directors) Rules, 2014.

Means of Communication with Shareholders

The Board of Directors of the Company approves and takes on record the unaudited financial results in the format prescribed by the Stock Exchanges within 45 days of the close of every quarter. The Board also takes on record the half yearly results in the format prescribed by the Stock Exchanges in the Debt Listing Agreement within 45 days of the close of every half year and such results are published in one financial newspaper, viz., Business Standard/Financial Express and one Regional Newspaper, Dinamani, within the stipulated time. The Company also publishes its annual audited results in these newspapers within the stipulated period.

As required under the Debt Listing Agreement all the data related to half yearly and annual financial results is provided to the Stock Exchanges within the time frame prescribed in this regard. All the details required to be forwarded to the Stock Exchanges are being sent by the Company from time to time.

General Body Meetings

Table 6 gives the details of the last three Annual General Meetings (AGMs).

Table 6: Details of last three AGMs

Financial year	Date	Time	Location
2013-14	28th August 2014	10.00 a.m.	Community Centre, Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu, 621651
2012-13	22nd August, 2013	10.00 a.m.	Community Centre, Dalmiapuram, Dist. Tiru.chirapalli, Tamil Nadu, 621651
2011-12	9th August, 2012	4.00 p.m.	Community Centre, Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu, 621651

The details of Special Resolutions in respect of the last three Annual General Meetings are given in Table 7.

Date of Meeting	Type of Meeting	Particulars
28th August 2014	AGM	<ul style="list-style-type: none"> ■ Resolution pursuant to the provisions of sections 14, of the Companies Act, 2013, to amend Clause 23.3.1 of the Articles of Association of the Company. ■ Resolution pursuant to the provisions of sections 14, of the Companies Act, 2013, to amend Clause 23.1.1 of the Articles of Association of the Company.

DALMIA CEMENT (BHARAT) LIMITED

Date of Meeting	Type of Meeting	Particulars
22nd August, 2013	AGM	<ul style="list-style-type: none"> ■ Resolution pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, to invest in the securities issued by any Body Corporate, grant loan(s) to any person and/or give any Guarantee(s)/provide any security (ies) in connection with loan(s) made to the other Bodies Corporate of such amount as may be decided by the Board upto the total limit of ₹ 5,000 crores. ■ Resolution pursuant to the provisions of Section 196, and other applicable provisions, if any, of the Companies Act, 2013, approval for the re-appointment of Mr. T. Venkatesan as Deputy Managing Director of the Company for a period of two years with effect from 8-8-2014. ■ Resolution increasing the amount of commission, including the salary and perquisites (other than contribution to provident fund, superannuation fund and gratuity fund), payable to each of the Managing Directors of the Company, Mr. Gautam Dalmia and Mr. Puneet Yadu Dalmia, from 1.5% to 3% of the net profits of the Company as calculated under the provisions of the Companies Act, 1956, as amended from time to time, with effect from 1-4-2012 and subject to approval from Central Government.
9th August, 2012	AGM	<ul style="list-style-type: none"> ■ Resolution pursuant to the provisions of sections 269 and other applicable provisions of the Companies Act, 1956, to approve the appointment of Mr. T. Venkatesan as Deputy Managing Director of the Company for a period of three years with effect from 08-08-2011.

Compliance

Mandatory Requirements

The Company is substantially, in compliance with the applicable mandatory requirements of Clause 49 of the Listing Agreement.

Additional Shareholder Information

Annual General Meeting

Date: 29th September, 2015

Time: 10.00 a.m.

Venue: Community Centre Premises,
Dalmiapuram -621651, Dist. Tiruchirapalli,
Tamil Nadu

Financial Calendar

Financial year: 1st April, 2015 to 31st March, 2016

For the year ended 31st March, 2016, results will be adopted on:

- First quarter: By mid-August, 2015
- Second quarter: By mid-November, 2015

- Third quarter: By mid-February, 2016
- Fourth quarter: By end May, 2016

Dividend Payment

The Directors have recommended payment of final dividend calculated at ₹ 0.36 per equity share of ₹ 10/- each. Such dividend shall be paid to those shareholders, whose names appear on the Company's Register of Members as on 29th September, 2015.

Listing

The Equity Shares are not listed on any Stock Exchange.

The Company has issued Debentures which are listed on Whole Sale Debt Segment of National Stock Exchange of India Limited.

All bills have been settled whenever received from the Depositories and Stock Exchange till date.

Dematerialisation of Shares

As on 31st March 2015, 99.99% shares of the Company were held in the dematerialised form. The Promoters of the Company hold their entire shareholding in dematerialised form.

DALMIA CEMENT (BHARAT) LIMITED

Outstanding GDRs/ADRs/Warrants/Options

Nil

Details of Public Funding Obtained in the last three years

Nil

Registrar and Transfer Agent

Karvy Computershare Private Limited,

Karvy Selenium Tower B, Plot 31-32, Gachibowli

Financial District, Nanakramguda, Hyderabad - 500 032.

Share Transfer System

The share transfers in the physical form are presently processed by the Registrars and Transfer Agents and returned within a period of 15 days. Under the dematerialised system, the Shareholder can approach a Depository Participant (DP) for getting his shares converted from physical form to dematerialised form. The DP will generate a request for the dematerialisation, which will be sent by him to the Company's Registrars and Share Transfer Agents. On receipt of the same the shares will be dematerialised.

Registered Office Address:	Address for Correspondence
Dalmia Cement (Bharat) Limited Dalmiapuram -621651, Dist. Tiruchirapalli, Tamil Nadu Phone: 04329 - 235131 Fax: 04329 235111	Dalmia Cement (Bharat) Limited Shares Department Dalmiapuram - 621651 Dist. Tiruchirapalli Tamil Nadu Phone: 04329 - 235131 Fax: 04329 235111

DALMIA CEMENT (BHARAT) LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Dalmia Cement (Bharat) Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the

provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 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, its profit, and its cash flows for the year ended on that date.

DALMIA CEMENT (BHARAT) LIMITED

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 sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2015, and 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;
- (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 30 and Note 53 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.R.Batliboi & Co. LLP
Firm registration No. : 301003E
Chartered Accountants

Manoj Gupta
Partner
Membership No.83906

Place: Gurgaon, Haryana
Date: May 12, 2015

For S.S. Kothari Mehta & Co.
Firm registration No. : 000756N
Chartered Accountants

per Arun K. Tulsian
Partner
Membership No.89907

Place: New Delhi
Date: May 12, 2015

DALMIA CEMENT (BHARAT) LIMITED

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

- Re: Dalmia Cement (Bharat) Limited ('the Company')**
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material dis-crepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. Inventories lying with outside parties have been confirmed by them as at year end.
- (b) The procedures of physical verification of inventory followed by the management are 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. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.
- (iii) (a) The Company has granted loans to 19 parties covered in the register maintained under section 189 of the Act. In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest has been regular.
- (b) Based on our audit procedures and the information and explanations made available to us, in case where overdue amount is more than rupees one lakh, reasonable steps have been taken by the Company for recovery of the principal and interest.
- (iv) According to the information and explanations given to us, there seems to be an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. The activities of the Company do not involve rendering of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act, and the Rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of Cement and Power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We are not, however, required to make a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

DALMIA CEMENT (BHARAT) LIMITED

- (vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii) (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	(Crore) Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Custom Act, 1962	Demand of custom duty and countervailing duty for Coal imported at Karaikkal Port disputing the classification from steam coal as claimed by the Company to bituminous coal	41.99	April 2012 to December 2012	Custom Excise and Service Tax Appellate Tribunal, Chennai
	Erroneous refund of deposit	0.22	2007-08	Custom Excise and Service Tax Appellate Tribunal, Chennai
Finance Act, 1994	Demand of Service Tax on freight expenses differential between service tax return and books of accounts	5.64	April 2007 to October 2012	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Demand of penalty and interest on delay in payment of service tax	1.01	June 2005 to December 2005	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Denial service tax credit taken on outdoor catering services on ground that it is not connected with manufacture of goods	0.04	April 2006 to May 2007	High Court, Madurai
	Short payment of Service Tax	0.03	April 2006 to September 2006	Assistant Commissioner, Tiruchirappalli
Andhra Pradesh Value Added Tax Act, 2005	Penalty for wrong VAT credit taken	0.09	June 2008 to August 2010	Deputy Commissioner of Commercial Taxes, Hyderabad
	Denial of VAT credit	0.18	May 2007 to May 2008	Andhra Pradesh Sales tax Appellate Tribunal, Hyderabad
	Denial of VAT credit and restriction	0.34	June 2008 to March 2012	Deputy Commissioner of Commercial Taxes, Hyderabad

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Kerala Value Added Tax Act, 2003	Demand for incorrect turnover reported (Stock Transfer) as per return, omissions and refill shortages	2.20	April 2008 to March 2010	Deputy Commissioner (Appeal), Ernakulum
	Demand for sales tax on freight as Company deducted freight while computing sales tax	1.71	April 2013 to August 2013	Deputy Commissioner (Appeal), Ernakulum
	Non furnishing of closing stock statement, non-filing of separate profit and loss account under VAT	1.49	April 2007 - March 2008	Deputy Commissioner (Appeal), Ernakulum
	Demand for probable omission and suppression of facts, refill shortages, based on stock valuation	0.27	April 2006 to March 2007	Deputy Commissioner (Appeal), Ernakulum
	Material held up by the sales tax dept. for improper documentation at the time of delivery.	0.03	April 2008 to March 2009	Assistant Commissioner (SPL Circle)-1, Ernakulum
	Incorrect VAT Credit availed	0.21	April 2006 to March 2007	Joint Commissioner, Ernakulum
Tamil Nadu Value Added Tax Act 2006	Demand of VAT on Cement Cess, BIS Marking Fee and shortfall in the Input tax credit reversal	2.47	April 2010 to March 2013	Sales Tax Appellate Tribunal, Madurai
	Demand of VAT on Cement Cess, BIS Marking Fee and shortfall in the Input tax credit reversal	0.24	April to May 2013	Appellate Deputy Commissioner (Commercial Taxes), Trichy
Tamil Nadu General Sales Tax Act, 1959	Demand for sales tax on packing charges	0.60	April 1975 to March 1978, April 1983 to March 1984	Commercial Tax Officer, Lalgudi
	Denial of concessional rate benefit on certain items purchased through Form XVII	0.63	April 1986 to March 1998	Sales Tax Appellate Tribunal, Madurai
	Denial of concessional rate benefit on certain items purchased through Form XVII	0.09	April 1997 to March 2000	Commercial Tax Officer, Lalgudi
Central Sales Tax Act, 1956	Non-submission of "C" Forms	0.97	April 2010 - March 2013	Appellate Dy. Commissioner, Trichy
	Non-submission of declaration forms	0.21	April 2009 to March 2010	Sales tax Appellate Tribunal, Hyderabad
	Non-submission of declaration forms	0.02	April 2010 to August 2010	Deputy Commissioner of Commercial Taxes, Hyderabad
	Non-submission of declaration forms	1.90	September 2010 to March 2012	Sales tax Appellate Tribunal, Hyderabad

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Tamil Nadu Tax on Entry of Goods into Local Areas Act, 2001	Entry tax on bags purchased for other states	0.20	April 2005 to March 2006	Supreme Court
	Entry Tax on TMT Bars purchased for captive power plant and Expansion Project	0.26	April 2004 to May 2004	Supreme Court
Income Tax Act, 1961	Disallowance on account of the unaccounted cash, overpricing of purchases, unexplained expenditure and Section 14A disallowances	3.37	2005-06 to 2011-12	Commissioner of Income Tax (Appeals), New Delhi
	Disallowance of entire expenses claimed and also treated profit on foreign exchange fluctuations and interest income as income from other sources	0.23	2011-12	Dy. Commissioner of Income Tax, New Delhi
Wealth Tax Act, 1957	Addition to the net wealth on account of undisclosed cash	0.13	2011-12	Dy. Commissioner of Wealth Tax, New Delhi
Central Excise Act, 1944	Disallowance of credit taken on Inputs, Capital goods and services.	151.87	August 2007 to Sept 2009	Custom Excise & Service Tax Appellate Tribunal, New Delhi
	ED on Cement (other customers)	9.43	July 2009 to March 2012	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	Denial of Input and Service Tax Credit	0.24	April 2011 to March 2012	Custom Excise & Service Tax Appellate Tribunal, Bangalore
		0.18	April 2010 to June 2010	Custom Excise & Service Tax Appellate Tribunal, Bangalore
		0.12	September 2010 to March 2011	Custom Excise & Service Tax Appellate Tribunal, Bangalore
		0.03	April 2012 to September 2012	Commissioner of Central Excise (Appeals), Guntur
		0.04	October 2012 to September 2013	Commissioner of Central Excise (Appeals), Guntur
	Demand of Excise duty as per tariff in respect of cement clearance to depot without affixing the MRP	10.69	November 2009 to March 2011	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	Denial of CENVAT credit of service tax paid on GTA service	4.97	April 2009 to August 2013	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	Denial of cenvat credit on cement and steel used in the construction of factory, civil structure, foundation etc.	30.14	July 2008 to March 2010	Custom Excise & Service Tax Appellate Tribunal, New Delhi
		5.87	September 2004 to April 2006	Custom Excise & Service Tax Appellate Tribunal, Chennai

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
		0.13	2007-08	Commissioner, Tiruchirappalli
		0.30	Oct 1997 to July 1998	High Court, Chennai
	Differential amount of excise duty disallowing concessional rate of duty on non-trade bulk sale	8.43	May 2007 to November 2007	Supreme Court
	Denial of cenvat credit on capital goods, inputs and input services availed in setting up captive power plant	7.05	April 2006-March 2007	High Court, Chennai
	Demand of excise duty on clinker used for manufacture of cement cleared to SEZ	4.08	November 2007 to July 2009	Custom Excise & Service Tax Appellate Tribunal, Delhi
		7.21	August 2009 to March 2011	Custom Excise & Service Tax Appellate Tribunal, Chennai
		1.50	July 2006 to October 2007	
		0.46	March 2011 to December 2011	Joint Commissioner, Excise Adjudication, Tiruchirappalli
	Denial of wrong Availment of Cenvat Credit on Intermediate Capital Goods (Pre-Heater Project)	0.72	October 2001 to April 2002	Supreme Court
	Denial of cenvat credit on Industrial Gases, Welding Electrodes	0.20	April 2007 to October 2011	Commissioner (Appeals) Trichy
	Demand of duty on Oil well Cement cleared to ONGC under international competitive bidding	0.94	September 2010 to March 2011	Commissioner of Excise, Trichy
	Denial of refund of excise duty on packing charges on the ground of unjust enrichment	0.08	May 2008 to July 2008	High Court, Chennai
	Demand for irregular availment of CENVAT credit	0.07	August 2011	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Cenvat credit on Steel items as Inputs and Capital goods, unspecified items and welding electrodes	0.07	July 2010 to Dec 2010	Custom Excise & Service Tax Appellate Tribunal, Chennai
		0.11	March 2010 to June 2010	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Denial of refund of excise duty on Equalised Freight	2.64	April 1972 to March 1976	Supreme Court
	Non reversal of Cenvat credit obsolete stores & spares written off	0.23	April 1994 to March 2004	Custom Excise & Service Tax Appellate Tribunal, Chennai

DALMIA CEMENT (BHARAT) LIMITED

- (vii) (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us the Company has given guarantee for loans taken by others from banks, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the procedures performed for the purpose of reporting the rule and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R.Batliboi & Co. LLP
Firm registration No. : 301003E
Chartered Accountants

For S.S. Kothari Mehta & Co.
Firm registration No. : 000756N
Chartered Accountants

Manoj Gupta
Partner
Membership No.83906

per Arun K. Tulsian
Partner
Membership No.89907

Place: Gurgaon, Haryana
Date: May 12, 2015

Place: New Delhi
Date: May 12, 2015

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited
Balance sheet as at March 31, 2015

	Notes	As at March 31, 2015 (in ₹ Crore)	As at March 31, 2014 (in ₹ Crore)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	252.92	252.92
Reserves and Surplus	3	2,705.59	2,645.33
		2,958.51	2,898.25
Non- Current Liabilities			
Long-term borrowings	4	4,040.87	2,425.17
Deferred Tax Liabilities (Net)	5	172.26	132.58
Other long-term liabilities	6	81.83	47.45
Long term provisions	7	26.66	22.99
		4,321.62	2,628.19
Current Liabilities			
Short-term borrowings	8	360.55	431.02
Trade payables	9	201.15	198.16
Other current liabilities	10	465.60	300.52
Short-term provisions	11	10.12	0.58
		1,037.42	930.28
Total		8,317.55	6,456.72
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	12	2,893.41	3,014.27
Intangible assets	12	0.99	1.63
Capital work-in-progress		999.42	704.43
		3,893.82	3,720.33
Non-current Investments	13	2,662.41	1,292.48
Long term loans and advances	14	295.00	394.71
Other non current assets	15	0.05	-
		6,851.28	5,407.52
Current Assets			
Current investments	16	188.54	379.97
Inventories	17	241.62	246.29
Trade receivables	18	145.22	172.16
Cash and cash equivalents	19	344.90	26.11
Short-term loans and advances	20	545.45	223.03
Other current assets	21	0.54	1.64
		1,466.27	1,049.20
Total		8,317.55	6,456.72
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
 Firm registration No. : 301003E
 Chartered Accountants

For S.S. Kothari Mehta & Co.
 Firm registration No. : 000756N
 Chartered Accountants

per Manoj Gupta
 Partner
 Membership No.83906

per Arun K. Tulsian
 Partner
 Membership No.89907

Mahendra Singhi Puneet Yadu Dalmia
 Whole time Director & CEO Managing Director

Place : Gurgaon
 Date: May 12, 2015

Place : New Delhi
 Date: May 12, 2015

Jayesh Doshi Manisha Bansal
 Chief Financial Officer Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited Statement of Profit and Loss for the year ended March 31, 2015

	Notes	For the year ended, March 31, 2015 (in ₹ Crore)	For the year ended, March 31, 2014 (in ₹ Crore)
Income			
Revenue from operations (gross)	22	2,711.68	2,649.35
Less: Excise duty		335.56	331.02
Revenue from operations (Net)		2,376.12	2,318.33
Other income	23	61.74	34.63
Total Revenue (I)		2,437.86	2,352.96
Expenses			
Cost of Raw materials consumed	24	258.27	237.50
Purchases of traded goods		19.79	10.41
Changes in inventories of finished goods and work in progress	25	(5.18)	2.41
Employee benefits expense	26	141.65	126.94
Other Expenses	27	1,522.86	1,578.76
Total Expenses (II)		1,937.39	1,956.02
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		500.47	396.94
Add: Interest income		39.83	14.80
Less: Finance cost	28	253.24	217.72
Less: Depreciation and amortization expenses	12	172.60	161.40
Profit before exceptional items and Tax		114.46	32.62
Exceptional Item (Refer Note 50)		(6.12)	(0.28)
Profit before Tax		108.34	32.34
Tax expense			
Current tax		24.21	11.95
MAT credit entitlement		(24.21)	-
		-	11.95
Deferred Tax		40.66	23.75
Prior year tax charge/ (written back)		(0.44)	4.91
Total Tax Expense		40.22	40.61
Profit/(Loss) after Tax		68.12	(8.27)
Earning per Share	29		
Basic and Diluted Earnings Per Share (In ₹) [Nominal Value of Share ₹ 10 (₹10) each]		2.69	(0.33)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Firm registration No. : 301003E
Chartered Accountants

For S.S. Kothari Mehta & Co.
Firm registration No. : 000756N
Chartered Accountants

per Manoj Gupta
Partner
Membership No.83906

per Arun K. Tulsian
Partner
Membership No.89907

Mahendra Singhi Puneet Yadu Dalmia
Whole time Director & CEO Managing Director

Place : Gurgaon
Date: May 12, 2015

Place : New Delhi
Date: May 12, 2015

Jayesh Doshi Manisha Bansal
Chief Financial Officer Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited Cash Flow Statement for the year ended March 31, 2015

(in ₹ Crore)

	2014-15	2013-14
A. Cash Flow from Operating Activities		
Net Profit before tax	108.34	32.34
Adjustments		
Depreciation/Amortisation	172.60	162.96
Profit of subsidiary on amalgamation	-	(2.71)
Expenses on amalgamation	-	(0.22)
Provision for diminution in value of investment	1.84	-
Provision for doubtful debts/advances	4.35	(3.65)
Bad debts written off	0.95	6.39
Dividend Income	(10.97)	(5.20)
Finance costs	253.24	217.72
Interest Income	(39.83)	(14.80)
(Profit)/Loss on sale of Investments	(46.65)	(26.97)
Assets written off/Loss on sale of assets	1.45	0.34
Operating Profit before working Capital Changes	445.32	366.20
Adjustments for working Capital changes :		
Inventories	4.67	9.47
Trade Payables, Liabilities and Provisions	37.43	(30.73)
Trade Receivables, Loans and Advances and Other Current Assets	(177.27)	(205.87)
Cash Generated from Operations	310.15	139.07
Direct Taxes Paid	(30.06)	(19.93)
Net Cash from Operating activities	280.09	119.14
B Cash Flow from Investing Activities		
Purchase of fixed Assets	(352.74)	(408.54)
Proceeds from sale of Fixed Assets	1.62	0.59
(Purchase)/ Sale of Current Investments (net)	238.08	31.39
(Purchase)/ Sale of Non Current Investments (net)	-	(22.52)
Investment in subsidiaries	(1,371.77)	(86.09)
Interest Received	39.84	26.17
Dividend Received from Current Investments	0.05	1.33
Dividend Received from Non Current Investments	10.92	3.87
Net Cash used in Investing Activities	(1,434.00)	(453.80)
C Cash Flow from Financing Activities		
Proceeds from Short term Borrowings	(70.47)	186.87
Proceeds from Long term Borrowings	2,537.75	517.60
Repayments of Long term Borrowings	(764.29)	(119.10)
Finance cost	(230.29)	(260.93)
Dividend paid (including Dividend Distribution tax)	-	(16.28)
Net Cash from Financing Activities	1,472.70	308.16
Net increase in cash and cash equivalents (A+B+C)	318.79	(26.50)
Cash and cash equivalents (Opening Balance)	26.11	52.28
Add: Additions on amalgamation	-	0.33
Cash and cash equivalents (Closing Balance)	344.90	26.11

Note:

- 1) Cash & cash equivalents components are as per Note 19 of the Financial Statements
- 2) Previous year figures have been regrouped/restated where ever considered necessary

As per our report of even date

For S.R.Batliboi & Co. LLP

Firm registration No. : 301003E

Chartered Accountants

per Manoj Gupta

Partner

Membership No.83906

Place : Gurgaon

Date: May 12, 2015

For S.S. Kothari Mehta & Co.

Firm registration No. : 000756N

Chartered Accountants

per Arun K. Tulsian

Partner

Membership No.89907

Place : New Delhi

Date: May 12, 2015

Mahendra Singhi Puneet Yadu Dalmia
Whole time Director & CEO Managing Director

Jayesh Doshi Manisha Bansal
Chief Financial Officer Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

Note 1

Significant Accounting Policies

A. Corporate Information

Dalmia Cement (Bharat) Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. Its debt securities are listed on one stock exchange in India. The Company is engaged in the manufacturing and selling of cement.

B. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for assets transferred and vested in the Company pursuant to the respective schemes of arrangement which are carried at fair market value determined in accordance with schemes at the transfer date.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. (Refer note 56 also)

C. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

D. Tangible fixed assets

Fixed assets, except for assets transferred and vested in the Company pursuant to the schemes of arrangement, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Expenditure on new projects:

Direct expenses relating to construction activities are capitalized. Indirect expenditure incurred during construction period are capitalized as part of the indirect construction cost to the extent to which the expenditure are related to construction activities or are incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which are not related to the construction activities nor are incidental thereto are charged to the Statement of Profit and Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

Till the time project is capitalised, all direct expenditure relating to construction of project as well as administrative and indirect cost attributable to the construction of the project and/or bringing it to the working conditions for intended use, are capitalized as "Pre-operative Expenses".

E. Depreciation on tangible fixed assets

(a) Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives as prescribed under Schedule II to the Companies Act, 2013. The Company has estimated the useful live different from live prescribed in Schedule II in the following case:-

	Useful life
Polysius Kiln assets	9 years
Certain DG Sets and workshop appliances	5 years

(b) Land bearing mineral reserves is amortized over its estimated commercial life based on the unit of production method.

F. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the

amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

	Useful live
Computer software	3 years

G. 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 capitalized 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

H. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

I. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when

annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

J. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

K. 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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.

L. Inventories

Raw materials, 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 and stores and spares is determined on a weighted average basis.

Work-in-progress, finished goods and traded goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated

costs of completion and estimated costs necessary to make the sale.

M. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

Insurance Claim

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

N. Foreign currency translation

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. 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.

Exchange differences

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item. All other exchange differences are recognized as income or as expenses in the period in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

O. Retirement and other employee benefits

Retirement benefit in the form of provident fund contribution to Statutory Provident Fund, pension fund, superannuation fund and ESI are defined contribution schemes. The contributions are charged to the statement of profit and loss

whenever services are rendered. The Company has no obligation, other than the contribution payable to the provident fund.

The Company operates two defined benefit plans for its employees, viz., gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

P. Income taxes

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the

statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Q. Segment reporting

Identification of segments

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

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

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

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

R. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

S. Provisions

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

The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

T. Contingent liabilities

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

U. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

V. Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance cost, interest income and tax expense.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

2. Share Capital

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Authorised:		
300,000,000 (300,000,000) Equity Shares of ₹ 10/- each	300.00	300.00
30,000,000 (30,000,000) Preference Shares of ₹ 100/- each	300.00	300.00
773,000,000 (773,000,000) Unclassified Shares of ₹ 10/- each	773.00	773.00
	1,373.00	1,373.00
Issued, Subscribed and Fully Paid Up :		
252,919,005 (252,919,005) Equity Shares of ₹ 10/- each	252.92	252.92
	252.92	252.92

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2015		March 31, 2014	
	(No. of Shares)	(₹ Crore)	(No. of Shares)	(₹ Crore)
At the beginning of the year	252,919,005	252.92	252,919,005	252.92
Issued during the year	-	-	-	-
At the end of the year	252,919,005	252.92	252,919,005	252.92

b. Terms/ rights attached to Equity shares

The Company has only one class of equity shares having a face value of ₹10 per share. Each equity shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of dividend per share recognized as distribution to equity shareholders was ₹0.36 (Nil).

In the event of winding-up of the Company, the equity shareholders shall be entitled to be repaid remaining assets of the company in the ratio of the amount of capital paid up on such equity shares.

c. Equity shares held by holding company

	March 31, 2015		March 31, 2014	
	(No. of Shares)	(₹ Crore)	(No. of Shares)	(₹ Crore)
Dalmia Bharat Limited (including its nominees)	215,000,000	215.00	215,000,000	215.00

d. Details of shareholders holding more than 5% shares in the company

	March 31, 2015		March 31, 2014	
	(No. of Shares)	% holding	(No. of Shares)	% holding
Dalmia Bharat Limited (including its nominees)	215,000,000	85.01%	215,000,000	85.01%
KKR Mauritius Cements Investments Limited	37,919,005	14.99%	37,919,005	14.99%

3. Reserves and Surplus

Business Restructuring Reserve		
Opening Balance as per last financial statements	1,866.56	1,833.51
Additions/adjustments during the year	3.15	33.05
Closing Balance	1,869.71	1,866.56

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Securities Premium Reserve		
Opening Balance as per last financial statements	458.70	458.70
Closing Balance	458.70	458.70
Debenture Redemption Reserve		
Opening Balance as per last financial statements	90.00	75.83
Add: Created during the year	110.83	14.17
Less: released during the year	32.50	-
Closing Balance	168.33	90.00
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	230.07	252.51
Add: Amount transferred from debenture redemption reserve	32.50	-
Profit/ (Loss) for the year	68.12	(8.27)
Less: Written down value of fixed assets whose life have expired as at April 1, 2014 adjusted as per Companies Act, 2013 (net of tax) (Refer Note 57)	1.90	-
Less: Appropriations		
Transfer to debenture redemption reserve	110.83	14.17
Proposed Dividend on equity shares (Refer Note 56)	9.11	-
Total Appropriations	119.94	14.17
Net Surplus in the Statement of Profit and Loss	208.85	230.07
Total reserves and surplus	2,705.59	2,645.33

4. Long Term Borrowings

	As at March 31, 2015 (₹ Crore)		As at March 31, 2014 (₹ Crore)	
Secured				
A. Redeemable Non-Convertible Debentures	1,496.67		402.00	
Less: Shown in current maturities of long term borrowings	53.33	1,443.34	95.34	306.66
B.Term Loans:				
i. From Banks	2,504.66		1,811.82	
Less: Shown in current maturities of long term borrowings	240.26	2,264.40	60.80	1,751.02
ii. From Others		312.00		312.00
(A)		4,019.74		2,369.68
Unsecured				
C. Fixed Deposits	-		7.44	
Less: Shown in current maturities of long term borrowings	-	-	1.23	6.21
D. Deferred payment liabilities	53.32		57.91	
Less: Shown in current maturities of long term borrowings	32.19	21.13	8.63	49.28
(B)		21.13		55.49
Total long term borrowings (A+B)		4,040.87		2,425.17

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

1) Debentures referred to in A above to the extent of:

- i) 10.50%, Series II P ₹1,000 Cr (Nil) are secured by pledge of investments & redeemable after three years in February 2018 with a put/ call option in March 2016 for full amount.
- ii) 10.75%, Series 1A ₹100 Cr (₹100 Cr.) are secured by a first pari-passu charge on land, building, assets, plant & machineries of Dalmiapuram unit and plot at Gujarat & redeemable in three yearly instalments in the ratio of 33:33:34 commencing from January 2018. For ₹18.75 Cr (₹75 Cr), interest rate swap has been taken @9.20% payable on USD 3,033,490 (USD 12,133,959).
- iii) 11.00%, Series 1B ₹100 Cr (₹ 100 Cr.) are secured by a first pari-passu charge on land, building, assets, plant & machineries of Dalmiapuram unit and plot at Gujarat & redeemable in three yearly instalments in the ratio of 33:33:34 commencing from January 2018 with a put/ call option at end of 5 years at par in January 2018 for full amount.
- iv) 10.75%, Series IIIA, B,C and IVP,Q,R ₹210 Cr (Nil) are secured by a first pari-passu charge on movable and immovable fixed assets of Dalmiapuram unit and movable and immovable fixed assets (excluding plant and machinery charged on exclusive basis to specific lenders) of Cuddapah and Ariyalur unit & redeemable in three yearly instalments commencing from Aug 2017.
- v) 10.35%, Series XIII ₹ 66.67 Cr (₹100 Cr) are secured by a first pari-passu charge on the Immovable properties of Cement unit at Dalmiapuram & redeemable in two yearly equal instalments in May 2015 and May 2016.
- vi) 8.87%, Series XI ₹20 Cr (₹35 Cr) are secured by a first pari-passu charge on all the movable and immovable properties of Cement unit at Dalmiapuram (except inventories and trade receivables) & redeemable in May 2015.
- vii) 9.00%, Series XI A Nil (₹35 Cr) were secured by a first pari-passu charge on all the movable and immovable properties of Cement Unit at Dalmiapuram (except inventories and trade receivables).
- viii) 9.00%, Series XB Nil (₹16 Cr) were secured by a first pari-passu charge on whole of the movable and immovable properties (except trade receivables) of Cement unit at Dalmiapuram.
- ix) 8.90%, Series XA Nil (₹16 Cr.) were secured by a first pari-passu charge on whole of the movable and immovable properties (except trade receivables) of Cement unit at Dalmiapuram.

2) Term Loans from Banks referred to in B (i) above to the extent of :

- i) ₹95 Cr (₹100 Cr) are secured by a first pari-passu charge on movable and immovable fixed assets of Dalmiapuram Unit at base rate plus 1.05% (present 11.20%). It is repayable within 5 unequal annual installment in the range of ₹ 5.00 Cr to ₹ 30.00 Cr each from Mar, 2016.
- ii) ₹200 Cr (₹200 Cr) are secured by a first pari-passu charge on movable and immovable fixed assets of Dalmiapuram Unit at base rate plus 1.05% (present 11.20%). It is repayable within 24 equal quarterly installments commencing from December 2016.
- iii) ₹32.45 Cr (₹43.48 Cr) carrying interest at Libor plus 2.146% (presently 2.4795%) are secured by way of exclusive charge on Vertical roller mills & other machineries and equipments acquired through this loan for projects at Cuddapah & Ariyalur. The Loan has been availed in foreign currency repayable in half yearly installments of USD 0.10 Cr. each till July 2017.
- iv) ₹206.50 Cr (₹824.18 Cr) are secured by exclusive first charge on land and building and hypothecation of all the fixed assets of Cement units at Cuddapah and Ariyalur excluding assets charged to working capital lenders and Vertical roller mills & other machineries and equipments for projects at Cuddapah & Ariyalur acquired under foreign currency loan at base rate plus 1.00% (present 11.20%). it is prepaid in April,2015.
- v) ₹779.79 Cr (Nil) are secured by exclusive first charge on land and building and hypothecation of all the fixed assets of Cement units at Cuddapah and Ariyalur excluding assets charged to working capital lenders and Vertical roller mills & other machineries and equipments for projects at Cuddapah & Ariyalur acquired under foreign currency loan at base rate plus 0.75% (present 10.75%). It is repayable in unequal quarterly installment in the range of ₹1.95 Cr to ₹ 27.29 Cr each till Mar 2030.
- vi) ₹50 Cr (₹40 Cr) are secured by a first pari-passu charge on movable and immovable fixed assets of Ariyalur and Cuddapah Unit at base rate plus 1.05% (present 11.20%). It is repayable within 24 equal quarterly installments commencing from December 2016.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

- vii) ₹100 Cr (Nil) are secured by a first pari-passu charge on movable and immovable fixed assets (excluding plant and machinery charged on exclusive basis to specific lenders) of Cuddapah and Ariyalur unit at base rate plus 1.05%, presently 11.20% & redeemable in twenty quarterly instalments commencing from Sep 2017.
- viii) ₹ 110 Cr (Nil) are secured by a first pari-passu charge on movable and immovable fixed assets of Cuddapah and Ariyalur Unit at base rate plus 0.18% (present 11.18%). It is repayable within 36 unequal quarterly installments commencing from May 2018.
- ix) ₹ 871.04 Cr (₹543.08 Cr) are secured by a first charge by way of mortgage over all the immovable properties, assets and movable fixed assets of Belgaum Project and second charge on entire fixed assets of the company at base rate plus 1.50% (present 11.50%). It is repayable within 40 unequal quarterly installments in the range of ₹2.36 Cr to 23.63 Cr commencing from 18 months after Commercial operation date or 1st Jan,2017 whichever is earlier.
- x) ₹ 59.88 Cr (₹61.08 Cr) carrying interest at Libor plus 2.05% (presently 2.43%) are secured by way of exclusive charge on Roller press acquired through this loan for projects at Belgaum. The Loan has been availed in foreign currency repayable in 16 half yearly installments of USD 0.06 Cr. each from Oct 14.
- 3) Term Loans from others referred to in B (ii) above to the extent of:
₹ 312 Cr (₹ 312 Cr) carrying interest @ 0.10% p.a. are secured by a first pari-passu charge on the movable and immovable properties of Cement unit at Dalmiapuram. Repayment is due from financial year 2017-18 but repayment schedule is yet to be finalised.
- 4) Fixed deposits referred to in C above have been repaid in full in current year having interest ranging between 9.5% to 10%. It Included from Directors Nil (₹ 0.23 Cr)
- 5) Interest free, ₹ 53.32 Cr (₹ 57.91 Cr) deferred payment liabilities referred to in D above are repayable after 10 years from date of deferment and is payable in monthly instalments of ₹ 0.05 Cr to ₹ 9.06 Cr till FY 2016-17.

5. Deferred Tax Liabilities (Net)

Deferred Tax assets/ liabilities are attributable to the following items :

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Liabilities		
Depreciation	226.60	137.79
	226.60	137.79
Assets		
Expenses allowable for tax purpose when paid	2.24	1.19
Provision for doubtful debts and advances	5.63	4.01
Unabsorbed depreciation	45.79	-
Others	0.68	0.01
	54.34	5.21
Net	172.26	132.58
6. Other Long Term Liabilities		
Security deposit received	76.21	42.42
Retention Money Payable	4.20	3.63
Other Liabilities	1.42	1.40
	81.83	47.45

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
7. Long Term Provisions		
Provision for Mines reclamation liability	7.85	7.70
Provision for leave encashment	5.15	4.19
Provision for other employee benefits	13.66	11.10
	26.66	22.99
8. Short Term borrowings		
Secured		
A. Rupee loan from Banks	63.52	289.73
B. Foreign currency loan from Banks	187.03	140.59
(A)	250.55	430.32
Unsecured		
C. Fixed Deposits	-	0.70
D. Commercial paper	110.00	-
(B)	110.00	0.70
Total short term borrowings (A+B)	360.55	431.02
A) Rupee loans from Banks referred to in A above to the extent of:		
(i) ₹ 63.52 Cr (₹174.77 Cr) are secured by hypothecation of inventories and other assets in favor of participating working capital consortiums bankers ranking pari pasu on inter se basis repayable in next one year and carry interest rate in the range of 10.00% p.a. to 11.25% p.a.		
(ii) Nil (₹114.96 Cr) were secured by way of pledge of Mutual Fund Units.		
B) Foreign Currency Loans from Banks referred to in B above to the extent of:		
(i) ₹187.03 Cr (₹119.92 Cr) are secured by Letter of Undertaking issued by consortium bankers on the security of hypothecation of inventories and other assets in their favor ranking pari pasu on inter se basis repayable in less than one year and carry interest rate at LIBOR Plus 0.27% to 0.38% (presently 0.5406% p.a to 0.6400% p.a.)		
(ii) Nil (₹20.67 Cr) were secured by way of pledge of Mutual Fund Units.		
C) Fixed deposits referred to in C above have been repaid in full during the year having interest @ 9.25%.		
D) Commercial papers referred to in D above are payable in next three months and carry interest rate in the range of 9.25% to 9.64% per annum.		
9. Trade payables	201.15	198.16
(Refer Note 34 for dues to Micro & Small Enterprises)	201.15	198.16
10. Other current liabilities		
Current maturities of long term borrowings	325.78	166.00
Interest accrued but not due on borrowings	32.79	9.84
Unclaimed Fixed Deposits and interest thereon*	-	0.09
Advance from customers	9.81	14.16
Security deposit received	4.65	4.23
Capital Creditors	22.17	35.78
Directors' Commission payable	0.72	-
Purchase Consideration payable (Refer Note 48)	30.00	30.00
Other liabilities		
- Statutory dues	39.27	36.30
- Others	0.41	4.12
	465.60	300.52

* Not due for deposit with Investor Education & Protection Fund.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

11. Short term provisions

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Provision for employee benefits	1.01	0.58
Proposed dividend	9.11	-
	10.12	0.58

12. Fixed Assets

	Tangible							Intangible Computer Software	Total
	Land (Freehold)	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office equipment	Total		
Cost									
as at 1st April 2013	296.18	280.30	2,778.39	3.48	9.40	19.92	3,387.67	6.68	3,394.35
Additions on amalgamation	202.11	0.13	0.07	0.06	-	0.04	202.41	-	202.41
Additions during the year	5.18	5.52	34.09	0.88	1.44	1.88	48.99	1.55	50.54
Exchange Fluctuation - adjustment	-	-	5.15	-	-	-	5.15	-	5.15
Disposals during the year	0.03	-	0.47	-	-	-	0.50	0.63	1.13
as at 31st March 2014	503.44	285.95	2,817.23	4.42	10.84	21.84	3,643.72	7.60	3,651.32
Additions during the year	11.19	3.45	39.76	0.48	0.99	2.18	58.05	0.38	58.43
Exchange Fluctuation - adjustment	-	-	2.02	-	-	-	2.02	-	2.02
Disposals during the year	0.11	0.49	2.03	0.05	0.96	2.11	5.75	-	5.75
as at 31st March 2015	514.52	288.91	2,856.98	4.85	10.87	21.91	3,698.04	7.98	3,706.02
Depreciation/Amortization (Refer Note 57)									
as at 1st April 2013	-	21.33	435.50	0.98	2.75	6.97	467.53	5.13	472.66
Charge for the year	-	8.28	149.59	0.26	1.07	2.80	162.00	0.96	162.96
On Disposals	-	-	0.08	-	-	-	0.08	0.12	0.20
as at 31st March 2014	-	29.61	585.01	1.24	3.82	9.77	629.45	5.97	635.42
Charge for the year	2.67	17.14	148.81	0.51	1.75	6.98	177.86	1.02	178.88
On Disposals	-	0.27	0.24	0.02	0.50	1.65	2.68	-	2.68
as at 31st March 2015	2.67	46.48	733.58	1.73	5.07	15.10	804.63	6.99	811.62
Net Block									
as at 31st March 2014	503.44	256.34	2,232.22	3.18	7.02	12.07	3,014.27	1.63	3,015.90
as at 31st March 2015	511.85	242.43	2,123.40	3.12	5.80	6.81	2,893.41	0.99	2,894.40

Note: 1. Depreciation of ₹3.68 Cr (₹ 1.56 Crores) is included in carrying amount of Capital work in progress and ₹ 2.59 Cr. (Nil) is adjusted from surplus in statement of profit and loss.

2. Registration of Land amounting to ₹ 35.29 Cr (₹37.22 Cr) in the Company's name is pending.

3. Some places of land cost of which ₹ 5.06 Cr. (Nil) has been given as security in connection with the loan sanction by a lender to DCB Power Ventures Ltd. as associate company.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

13. Non-current Investments

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Trade investments		
Investments in Associates		
Equity Shares		
Quoted		
Nil (27,312,107) Shares of ₹ 2/- each fully paid up in OCL India Limited*	-	430.80
Unquoted		
130,000 (130,000) Shares of ₹10/- each fully paid up in DCB Power Ventures Limited	91.08	91.08
Investments in Joint Venture		
Equity Shares		
Unquoted		
1,836,500 (1,836,500) Shares of ₹10/- each fully paid up in Khappa Coal Company Private Limited (Refer Note 50)	1.84	1.84
Investments in Subsidiaries		
Equity Shares		
Quoted		
42,479,273 (Nil) Shares of ₹2/- each fully paid up in OCL India Limited*	1,461.46	-
Unquoted		
32,945,000 (32,945,000) Shares of ₹ 10/- each fully paid up in Adhunik Cement Limited (Refer Note 49)	453.56	450.35
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Arjuna Brokers & Minerals Limited.	0.05	0.05
272,677,725 (267,284,485) Shares of ₹ 10/- each fully paid up in Calcom Cement India Limited (Refer Note 48)	256.99	251.59
250,000 (250,000) Shares of ₹ 10/- each fully paid up in D.I Properties Limited.	0.25	0.25
8,31,60,000 (Nil) Shares of ₹ 10/- each fully paid up in Dalmia Bharat Cement Holdings Limited	332.49	-
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Dalmia Minerals & Properties Limited.	0.05	0.05
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Geetee Estates Limited.	0.05	0.05
9,40,000 (9,40,000) Shares of ₹ 10/- each fully paid up in Golden Hills & Resorts Private Limited	5.02	5.02
250,000 (250,000) Shares of ₹ 10/- each fully paid up in Hemshila Properties Limited.	0.25	0.25
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Ishita Properties Limited.	1.30	1.30
10,000 (Nil) Shares of ₹ 10/- each fully paid up in Jayevijay Agro Farms Pvt. Limited	0.01	-
10,000 (10,000) Shares of ₹ 10/- each fully paid up in Rajputana Properties Private Limited	0.25	0.25
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Shri Radha Krishna Brokers & Holdings Limited.	0.05	0.05
250,000 (250,000) Shares of ₹ 10/- each fully paid up in		

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Shri Rangam Properties Limited. 50,000 (50,000) Shares of ₹ 10/- each fully paid up in Sri Dhandauthapani Mines & Minerals Limited.	0.25 0.05	0.25 0.05
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Sri Madhusudana Mines & Properties Limited.	0.05	0.05
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Sri Shanmugha Mines & Minerals Limited.	0.05	0.05
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Sri Subramanya Mines & Minerals Limited.	0.05	0.05
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Sri Swaminatha Mines & Minerals Limited.	0.05	0.05
50,000 (50,000) Shares of ₹ 10/- each fully paid up in Sri Trivikrama Mines & Properties Limited.	0.05	0.05
	1,050.87	709.76
Others		
Debentures		
Unquoted		
5,900 (5,900) zero coupon optionally redeemable convertible debentures of ₹ 1,00,000/- each in Saroj Sunrise Pvt. Ltd. (Refer Note 48)	59.00	59.00
Sub-total	2,664.25	1,292.48
Less: Provision for diminution in value of investments	1.84	-
Total	2,662.41	1,292.48
Quoted:		
Book Value	1,461.46	430.80
Market Value	1,910.51	502.00
Book Value of Unquoted Investments	1,200.95	861.68

* became subsidiary w.e.f.25th February,2015

- Note: (1) The Company has given undertaking to the lenders of its Subsidiary Adhunik Cement Limited ("ACL") that the Company shall not dilute its holding below 51% in "ACL" without the prior written approval of the lenders.
- (2) The Company has given undertaking to the lenders of its Subsidiary Calcom Cement India Limited ("CCIL") that the Company shall not transfer, assign, dispose of, pledge, create charge or in any manner encumber or alienate its entire shareholding in "CCIL" until complete repayment of the loans by "CCIL" without the prior written approval of the lenders.
- (3) The Companies investment in shares of Dalmia Bharat Cement Holdings Limited is pledged against loan taken by its subsidiary company Dalmia Bharat Cement Holdings Limited.
- (4) 2,90,19,112 shares of OCL India Limited held by the company is pledged against debenture of ₹ 1000 Cr. Issued during the year.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
14. Long term Loans and Advances (Considered good and unsecured unless otherwise stated)		
Capital advances	58.14	65.88
Security deposit	18.98	24.64
Loans and advances to:		
Employees@	-	0.06
Related Parties: (Refer Note 46)		
Advance against Share Application Money	4.28	4.38
Advance for Warrants	0.01	0.01
Others (including capital advances of ₹53.41 Cr (₹49.37 Cr))	110.20	105.34
Advances recoverable in cash or in kind or for value to be received	9.49	0.39
Incentives receivable	18.21	96.12
Advance Income Tax (Net of Provision for Tax ₹29.37 Cr (₹14.65 Cr))	24.41	18.12
MAT credit entitlement	24.21	-
Deposit and Balances with Government Departments and Other Authorities	31.54	79.96
	299.47	394.90
Less: Provision for doubtful advances	4.47	0.19
	295.00	394.71
@includes		
Due from officers of the Company	-	0.06
15. Other Non Current Assets		
Deposit with original maturity of more than 12 months	0.05	-
	0.05	-
16. Current Investments		
Units of Mutual Funds (Quoted)		
Debt based schemes	38.54	379.97
Commercial Paper (Unquoted) - Axis Finance Ltd.	150.00	-
Total	188.54	379.97
Quoted		
Book Value	38.54	379.97
Market Value	38.61	396.03
Book Value of Unquoted Investments	150.00	-
17. Inventories		
(Mode of valuation - refer Note 1(L) on inventories)		
Raw Materials		
On hand	18.37	11.32
In transit	0.01	0.12
Packing Materials		
On hand	8.94	10.96
In transit	0.50	1.09
Work in Progress		
	46.12	34.07
Finished Goods		
On hand	21.34	27.70
In transit	0.76	1.27
Stores, Spares etc		
On hand	142.77	158.26
In transit	2.81	1.50
	241.62	246.29

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
18. Trade Receivables		
a) Receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good		
Secured	0.96	0.12
Unsecured	-	1.02
Considered doubtful	6.33	7.34
Less: Provision for Bad and Doubtful receivables	6.33	7.34
(A)	0.96	1.14
b) Other receivables		
Considered good		
Secured	64.93	61.67
Unsecured	150.60	181.16
Considered doubtful	0.92	0.60
Less: Provision for Bad and Doubtful receivables	0.92	0.60
(B)	215.53	242.83
Trade Receivables (A+B)	216.49	243.97
Less: Provision for Rebate / Discount	71.27	71.81
	145.22	172.16
19. Cash and cash equivalents		
Cash on hand	0.14	0.07
Cheques in Hand	18.53	0.03
Balances with Scheduled Banks :		
- On current accounts	221.56	23.56
- On deposit accounts	84.41	0.45
Other bank balances		
- Margin money (pledged with banks against bank guarantee)	20.26	2.00
	344.90	26.11
20. Short term Loans and Advances		
Unsecured, considered good		
Loan and advances to		
- Employees*	1.13	0.55
- Related parties (Refer Note 46)	336.14	115.53
Other loans and advances	32.75	61.89
Considered Doubtful	4.73	3.87
Less: Provision for doubtful advances	4.73	3.87
Interest receivable (Refer Note 46)	8.51	8.52
Incentives receivable	71.03	-
Deposit and Balances with Government Departments and Other Authorities	95.89	36.54
	545.45	223.03
*includes		
Due from officers of the Company	1.13	0.55
21. Other Current Assets		
Unamortised premium on forward contracts	0.54	1.64
	0.54	1.64

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	For the year ended March 31, 2015 (₹ Crore)	For the year ended March 31, 2014 (₹ Crore)
22. Revenue from operations		
Cement Sales	2,570.22	2,519.32
Power Sales	76.29	79.77
Trading Sales	22.34	10.85
Sales Tax incentive	-	10.46
Other operating revenue	42.83	28.95
	2,711.68	2,649.35
23. Other Income		
Dividend income		
- from non current Investments	10.92	3.87
- from current investments	0.05	1.33
Profit on sale of current investments	46.65	27.67
Less: (Loss on sale of current investments)	-	(0.70)
Exchange Fluctuation	0.10	-
Miscellaneous Receipts	4.02	2.46
	61.74	34.63
24 . Cost of Raw materials consumed		
Class of Product		
Limestone	152.99	135.43
Gypsum	16.03	15.38
Fly ash	56.77	57.57
Others	32.48	29.12
	258.27	237.50
25. (Increase)/ Decrease in inventories of finished goods, work in progress and stock in trade		
Finished Goods		
- Closing stock	22.10	28.97
- Opening stock	28.97	38.64
	6.87	9.67
Work-in-Process		
- Closing stock	46.12	34.07
- Opening stock	34.07	26.81
	(12.05)	(7.26)
	(5.18)	2.41
26. Employee benefit expenses		
Salaries, Wages and Bonus	121.96	107.76
Contribution to Provident and Other Funds (Refer Note 42)	7.13	5.16
Workmen and Staff Welfare expenses	12.56	14.02
	141.65	126.94

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

	For the year ended March 31, 2015 (₹ Crore)	For the year ended March 31, 2014 (₹ Crore)
27. Other Expenses		
Power and Fuel	579.16	681.77
Packing Materials	98.06	111.38
Consumption of Stores and Spares Parts	9.09	6.00
Freight and Forwarding Charges	428.86	414.52
Repairs and Maintenance		
- Plant & Machinery	74.26	72.20
- Buildings	4.46	3.47
Rent	3.90	2.07
Rates and Taxes	3.15	3.43
Insurance	2.28	2.12
Management Service Charges (Refer Note 46)	60.80	56.73
Depot Expenses	60.99	64.15
Excise duty variation on opening / closing inventories	0.59	(0.44)
Advertisement and Publicity	26.16	27.06
CSR Expenses	1.96	-
Exchange Fluctuation	-	9.90
Cost for obligations	37.64	-
Miscellaneous Expenses	131.50	124.40
	1,522.86	1,578.76
28. Finance Cost		
Interest		
- On term loans and debentures	204.08	174.38
- On short term borrowings	15.34	8.23
- Others	5.07	5.69
Other borrowing cost	23.54	5.83
Exchange differences to the extent considered as an adjustment to borrowing cost	5.21	23.59
	253.24	217.72
29. Earning Per Share		
Net profit/ (loss) for calculation of basic and diluted EPS (₹ in Cr)	68.12	(8.27)
Total number of equity shares outstanding at the end of the year	252,919,005	252,919,005
Weighted average number of equity shares in calculating basic and diluted EPS	252,919,005	252,919,005
Basic and Diluted EPS (₹)	2.69	(0.33)

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

30. Contingent liabilities / Litigations in respect of :

(A) Not provided for:

S. No.	Particulars	2014-15 (₹ in Crore)	2013-14 (₹ in Crore)
a)	Claims against the Company not acknowledged as debts	50.19	57.71
b)	Demand raised by following authorities in dispute:		
	Excise & Service Tax	106.65	147.81
	Customs	38.40	42.63
	Sales Tax, VAT & CST	11.31	55.46
	Income tax matters	3.74	182.47
c)	Guarantees/Counter Guarantees given to banks on account of guarantees issued by the banks to Bodies Corporate	-	4.00
	Total	210.29	490.08

Based on favourable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of favourable decisions in respect of the items listed above and hence no provision is considered necessary against the same.

(B) Loan outstanding in the books of subsidiary Calcom Cement India Limited for which the Company has given Guarantee of ₹ 59.31 crores (previous year ₹ 23.67 crores)

31. The company has received summons from the Court of Principal Special Judge for CBI cases Hyderabad, under Section 120 (b) read with Section 420 of Indian Penal Code. The investigating agency has alleged that the Company's investment in Bharthi Cement and acquisition of Eswar Cements Private Limited were made for the benefit of an influential person in the State, prime accused in the case, as a quid pro quo for grant of prospecting license over certain limestone bearing land in the State of Andhra Pradesh. However, both the investments made by Dalmia Bharat Sugar and Industries Limited were genuine investments as permitted under that Company's Memorandum and Articles of association and duly approved by their Board of Directors. The proceedings are still at the preliminary stage and in the opinion of the management, no adverse impact is expected to devolve on the management on conclusion of such proceedings.

32. Capital and Other commitments

(₹ in Crore)

Particulars	2014-15	2013-14
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	71.34	126.83
Other commitments (take or pay obligation for coal and power purchase) (net of advances)	3.67	58.52

33. Remuneration paid to auditors (included in Miscellaneous Expenses):

(₹ in Crore)

Particulars	2014-15	2013-14
Statutory auditors		
a) as an auditor		
i) Statutory audit fee	0.27	0.25
ii) Tax audit fee	0.03	0.03
iii) Limited review	0.23	0.14
In other capacity		
i) Company law matter	-	0.02
ii) Certification fee	0.02	0.01
Reimbursement of expenses	0.03	0.09
Cost Auditor		
a) Audit Fee	0.03	0.02
b) For Expenses	-	-

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

34. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	(₹ in crores)	
Particulars	2014-15	2013-14
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	0.01	0.05
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprises (Development) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
Total	0.01	0.05

35. Operating Lease

Assets taken on lease

The company has entered into cancellable lease agreements with an average life of between one to five years with renewal option at the mutual consent of lessor & lessee. Some of the lease agreements contain escalation clause of upto 10%. There are no restrictions placed upon the company by entering into these leases.

Particulars	(₹ in Cr.)	
	2014-15	2013-14
Lease payments for the year	47.46	40.15
Total	47.46	40.15

36. Particulars of forward contracts and Unhedged foreign Currency Exposure as at the Balance Sheet date:

Forward contract outstanding as at Balance Sheet date:

Particulars	Currency	Amount in Foreign Currency	Amount (₹ in Cr)	Purpose
Buy	USD	4,371,083 (17,389,535)	27.39 (104.20)	To hedge the repayment of principal and interest on foreign currency loans.
Total	USD	4,371,083 (17,389,535)	27.39 (104.20)	

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

Particulars of unhedged foreign currency exposure:

Particulars	Amount in Foreign Currency	Amount (₹ in Cr.)
Foreign currency loans and interest thereon	USD 4,0365,516 (USD 23,714,766) (Closing rate 1 USD = ₹ 62.66 (₹59.92))	252.93 (142.10)
Trade Payables	USD 315,000 (USD 2,19,022) (Closing rate 1 USD = ₹ 62.66 (₹59.92))	1.97 (1.31)
Trade Payables	EUR 107,698 (EURO 24,244) (Closing rate 1 EUR = ₹ 67.6307 (₹82.745))	0.73 (0.20)
Trade Payables	GBP 26,500 (GBP Nil) (Closing rate 1 GBP = 92.590 (₹ 99.9498))	0.25 (Nil)
Trade Receivables for Export Sales	USD 313,757 (USD 643,589) (Closing rate 1 USD = ₹62.66 (₹59.92))	1.97 (3.86)

37. Details of Finished Goods

Class of Product	Amount (₹ in Cr.)	
	2014-15	2013-14
Opening stock		
Cement	28.97	38.64
Closing stock		
Cement	22.10	28.97

38. CIF Value of Imports

Particulars	(₹ in Cr.)	
	2014-15	2013-14
Raw Materials	1.33	1.50
Stores & spares	4.69	6.45
Packing Bags	0.62	1.90
Fuel	233.05	374.65
Capital Goods	0.75	57.76
Total	240.45	442.26

39. Expenditure in foreign currency (Accrual basis):

Particulars	(₹ in Cr.)	
	2014-15	2013-14
Professional and Consultation Fees	5.19	1.72
Interest	2.11	3.49
Others	1.16	3.95
Total	8.46	9.16

40. Earnings in foreign currency (Accrual basis):

Particulars	(₹ in Cr.)	
	2014-15	2013-14
Export of goods at FOB value	10.72	25.66
Total	10.72	25.66

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

41. Details regarding imported and indigenous materials consumed during the year:

	Imported		Indigenous		Value of total consumption (₹ in Cr.)
	Value (₹ in Cr.)	Percentage to total consumption	Value (₹ in Cr.)	Percentage to total consumption	
Raw Materials	2.08 (3.10)	0.81 (1.31)	256.19 (234.40)	99.19 (98.69)	258.27 (237.50)
Spares Parts etc.	2.13 (4.32)	3.63 (7.68)	56.40 (51.90)	96.37 (92.32)	58.53 (56.22)

42. Gratuity and Other Post Employment Benefit Plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy.

Provident Fund

The Company contributes provident fund liability to Dalmia Cement Provident Fund Trust. As per the Guidance Note on implementing notified AS 15, Employee Benefits issued by the Ministry of Corporate Affairs (MCA), provident funds set up by the employers, which require interest shortfall to be met by the employer, needs to be treated as defined benefit plan.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the above mentioned plan.

Statement of Profit and Loss

Net employee benefit expense (recognised in Employee Benefits Expense)

Particulars	(₹ in Cr.)			
	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Current Service Cost	1.70	1.54	1.74	0.79
Interest cost on benefit obligation	1.23	1.19	0.85	0.60
Expected return on plan assets	(1.42)	(1.39)	(0.77)	0.61
Net actuarial (gain)/ Loss recognized in the year	0.19	(1.06)	0.04	(0.03)
Net Benefit Expense	1.70	0.29	1.86	0.75
Actual return on plan assets	1.34	1.26	-	-

Balance Sheet

Particulars	(₹ in Cr.)			
	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Present value of defined benefit obligation as at year-end	17.47	15.33	13.80	8.67
Fair value of plan assets as at year-end	15.99	15.45	13.61	8.58
Funded status {(Surplus/(Deficit)}	(1.48)	0.12	(0.19)	(0.09)
Net Asset/(Liability) as at year end	(1.48)	0.12	(0.19)	(0.09)

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited
Notes to Financial Statement as at and for the year ended March 31, 2015

Changes in the present value of the defined benefit obligation are as follows:

Particulars	(₹ in Cr.)			
	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Opening defined benefit obligation	15.33	14.89	8.67	7.24
Contribution by plan participation / employees	-	-	3.33	1.14
Current service cost	1.70	1.54	1.74	0.79
Interest Cost	1.23	1.19	0.85	0.60
Benefits paid out of funds	(0.90)	(1.10)	(1.22)	(1.06)
Actuarial (gains)/ losses on obligation	0.11	(1.19)	0.11	(0.03)
Settlements / Transfer in	-	-	0.32	-
Closing defined benefit obligation	17.47	15.33	13.80	8.67

Changes in the fair value of plan assets are as follows:

Particulars	(₹ in Cr.)			
	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Opening fair value of plan assets	15.45	14.75	8.58	7.12
Contribution by plan participation / employees	-	-	3.31	1.14
Actual return on plan assets	1.42	1.38	0.77	0.61
Contribution by employer	0.19	0.55	1.73	0.79
Benefits paid	(0.90)	(1.10)	(1.22)	(1.07)
Actuarial gains/ (losses) on obligation	(0.17)	(0.13)	0.07	(0.01)
Settlements / Transfer in	-	-	0.36	-
Closing fair value of plan assets	15.99	15.45	13.61	8.58

The Company expects to contribute ₹ 3.39 Cr (₹2.55 Cr) to gratuity and ₹ 1.90 Cr (₹0.79 Cr) to PF trust in 2015-16

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
	Qualifying Insurance Policy	99.8%	99.60%	-
Bank Balance	0.2%	0.40%	-	-
Govt. securities and financial securities as defined under PF Rules	-	-	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining defined benefits for the Company are shown below:

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
	Discount Rate	7.75%	8.00%	7.90%
Expected rate of return on assets	9.00%	8.85%	-	-
Mortality Table	IALM (2006-08) duly modified	IALM (1994-96) duly modified	IALM (2006-08) duly modified	IALM (1994-96) duly modified
Salary Escalation	7.00%	7.00%	-	-

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

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

Amounts for the current and previous years in respect of defined benefit plans are as follows:

(₹ in Cr.)

Particulars	Gratuity (Funded)					PF Trust (Funded)			
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation	17.47	15.33	14.89	11.06	9.49	13.80	8.67	7.24	7.63
Plan assets	15.99	15.45	14.75	12.22	11.43	13.61	8.58	7.12	7.59
Surplus/ (deficit)	(1.48)	0.12	(0.14)	1.16	1.94	(0.19)	(0.09)	(0.12)	(0.04)
Experience adjustment on plan assets (loss)/ gain	(0.08)	(0.13)	(0.02)	0.02	0.81	0.07	-	-	-
Experience adjustment on plan liabilities (loss)/ gain	0.23	1.19	(1.33)	0.06	0.19	(0.11)	-	-	-

No actuarial valuation for PF trust was carried out for financial year 2010-11 in absence of Guidance Note for the same.

Provident and other funds

Contribution to Defined Contribution Plans:

(₹ in Cr.)

Particulars	2014-15	2013-14
Provident Fund/Superannuation fund/ ESI/ Pension Scheme	5.58	5.01

43. During the year, the Company has incurred expenditure related to construction of fixed assets and therefore accounted for the same under Capital work in progress. Details of the expenses capitalised and carried forward as capital work in progress are given below:

(₹ in Cr.)

Particulars	2014-15	2013-14
Brought forward from last year	110.19	20.77
Addition on amalgamation	-	10.22
Expenditure incurred during the year		
Employee benefits expense	14.12	11.02
Other Expenses		
Rent	0.15	0.14
Insurance	0.57	0.64
Travelling	1.41	0.29
Professional Charges	22.52	20.94
Rates & Taxes	0.06	-
Trial run expenses	0.93	-
Miscellaneous Expenses	5.70	3.57
Finance Cost	80.23	42.30
Depreciation /Amortization	3.68	1.56
Total Expenditure during the year	129.37	80.46
Less : Miscellaneous Income	1.87	0.01
Less : Capitalised during the year	0.11	1.25
Carried forward as part of Capital Work in Progress	237.58	110.19

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

44. Movement of long term provision during the year:

Mines Reclamation Liability	2014-15	2013-14
Opening Provision	7.70	7.26
Add : Provision during the year	0.15	0.44
Closing Provision	7.85	7.70

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

45. Segmental Information

The company is operating in single reportable segment 'Cement' which is the primary business segment. Secondary segment by geographical location is as under:

	Amount (₹ in Cr.)	
	2014-15	2013-14
Domestic turnover	2,648.26	2,580.86
Export turnover (Including sale to SEZ)	20.59	29.08
	2,668.85	2,609.94

There are no assets outside India except for trade receivables of ₹ 1.97 Cr (₹3.86 Cr.) as at year end.

46. Related Party Disclosure as required by Accounting Standard-18.

a) List of related parties along with nature and volume of transactions is given below:

Related parties where control exists:

i. **Holding Company**

Dalmia Bharat Limited

ii. **Subsidiaries of the Company**

Adhunik Cement Limited, Arjuna Brokers & Minerals Limited, Calcom Cement India Limited, D.I. Properties Limited, Dalmia Cement Bharat Holdings Limited, Dalmia Minerals & Properties Limited, Geetee Estates Limited, Golden Hills Resort Private Limited, Hemshila Properties Limited, Ishita Properties Limited, Jayevijay Agro farms Pvt Ltd. (w.e.f. 05-6-14), OCL India Limited (w.e.f. 25-2-2015), Rajputana Properties Private Limited, Shri Radha Krishna Brokers & Holdings Limited, Shri Rangam Properties Limited, Shri Rangam Securities & Holdings Limited (up to 23-6-2014), Sri Dhandauthapani Mines & Minerals Limited, Sri Madhusudana Mines & Properties Limited, Sri Shanmugha Mines & Minerals Limited, Sri Subramanya Mines & Minerals Limited, Sri Swaminatha Mines & Minerals Limited and Sri Trivikrama Mines & Properties Limited.

iii. **Step down Subsidiaries of the Company**

Adhunik MSP Cement (Assam) Limited, Cosmos Cement Limited, Dalmia Cement East Limited [(formerly known as Bokaro Jaypee Cement Limited) (w.e.f. 16-11-2014)], Odisha Cement Limited (w.e.f. 25-2-2015), OCL China Ltd (w.e.f. 25-2-2015), OCL Global Limited (w.e.f. 25-2-2015), RCL Cements Limited, SCL Cements Limited, Shri Rangam Securities & Holdings Limited (w.e.f. 24-6-2014), Sutnga Mines Private Limited and Vinay Cements Limited.

Related parties with whom transactions have taken place during the year:

i. **Associate of the Company**

DCB Power Ventures Limited, OCL India Limited (up to 24th February, 2015),

ii. **Joint Ventures**

Khappa Coal Company Private Limited

iii. **Key Management Personnel/Director of the Company**

Shri Jai Hari Dalmia-Director, Shri Yadu Hari Dalmia-Director, Shri Gautam Dalmia - Managing Director, Shri Puneet Yadu Dalmia - Managing Director and Shri Mahendra Singhi, Whole Time Director,

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

iv. Enterprises controlled by the Key Management Personnel of the Company

Dalmia Bharat Sugar and Industries Limited, Dalmia Refractories Limited, Himshikhar Investment Limited and Keshav Power Limited.

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

(₹ in Cr.)

Nature of Transaction	Holding Company	Subsidiary Companies	Associate	Joint Venture	Key Management Personnel/ Director	Key Management Personnel controlled enterprises	Total
Sale of goods and services	- (3.18)	14.07 (3.12)	0.96 (6.08)	- (-)	- (-)	1.79 (1.63)	16.82 (14.01)
Purchase of goods and services	89.20 (94.44)	0.26 (0.24)	- (-)	- (-)	- (-)	38.44 (29.03)	127.90 (123.71)
Reimbursement of expenses- Receivable	1.06 (1.19)	13.54 (0.33)	0.63 (0.18)	- (-)	- (-)	0.03 (0.07)	15.26 (1.77)
Reimbursement of expenses - Payable	0.58 (0.70)	0.18 (-)	- (-)	- (-)	- (-)	0.01 (0.04)	0.77 (0.74)
Rent/Lease rent payment	- (-)	0.43 (0.06)	36.27 (31.68)	- (-)	- (-)	- (-)	36.70 (31.74)
Rent Received	- (0.01)	- (-)	0.05 (0.02)	- (-)	- (-)	- (-)	0.05 (0.03)
Loans and Advances given	- (-)	304.14 (146.89)	- (-)	- (-)	- (-)	- (-)	304.14 (146.89)
Sale of Fixed Assets	- (-)	- (-)	- (0.30)	- (-)	- (-)	- (-)	- (0.30)
Purchase of Fixed Assets / CWIP	- (-)	- (-)	- (-)	- (-)	- (-)	- (0.09)	- (0.09)
Dividend Received	- (-)	- (-)	10.92 (3.87)	- (-)	- (-)	- (-)	10.92 (3.87)
Security Deposits received	- (0.02)	- (-)	5.06 (-)	- (-)	- (-)	- (-)	5.06 (0.02)
Interest Received	- (-)	30.89 (13.31)	- (-)	- (-)	- (-)	- (-)	30.89 (13.31)
Subscription to Equity Share Capital	- (-)	337.88 (-)	- (-)	- (-)	- (-)	- (-)	337.88 (-)
Share Application Money given	- (-)	- (0.10)	- (-)	- (-)	- (-)	- (-)	- (0.10)
Sale of Shares	- (-)	0.05 (-)	- (-)	- (-)	- (-)	- (-)	0.05 (-)
Managerial Remuneration including sitting fees*	- (-)	- (-)	- (-)	- (-)	17.16 (7.57)	- (-)	17.16 (7.57)

(*does not include provision made for leave encashment and gratuity as the same is determined for the company as a whole)

- Sale of goods includes transaction with Dalmia Bharat Limited Nil (Previous Year ₹ 3.18 Cr), OCL India Limited ₹ 0.09 Cr (Previous Year ₹ 5.55 Cr), Calcom Cement India Limited ₹ 8.24 Cr (Previous Year ₹ 3.12 Cr), Adhunik Cement Limited ₹ 5.25 Cr (Previous year Nil).
- Purchase of goods and services includes transaction with Dalmia Bharat Limited ₹ 89.20 Cr (Previous Year ₹ 94.44 Cr), Keshav Power Limited ₹ 23.73 Cr (Previous Year ₹ 26.82 Cr).
- Reimbursement of expenses - receivable includes transaction with Dalmia Bharat Limited ₹ 1.06 Cr (Previous Year ₹ 1.19 Cr), Adhunik Cement Limited ₹ 0.03 Cr (Previous Year ₹ 0.21 Cr), Dalmia Cement East Limited ₹ 2.20 Cr (Previous year Nil), Dalmia Bharat Cement Holdings Limited ₹ 7.09 Cr (Previous year Nil), Sri Rangam Securities & Holdings Limited ₹ 4.20 Cr (Previous year Nil).

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

4. Reimbursement of expenses - payable includes transaction with Dalmia Bharat Limited ₹ 0.58 Cr (Previous Year ₹ 0.70 Cr), Adhunik Cement Limited ₹ 0.14 Cr (Previous year Nil).
5. Rent/lease rent payment includes transaction with DCB Power Ventures Limited ₹ 36.27 Cr (Previous Year ₹ 31.68 Cr).
6. Rent received includes transaction with DCB Power Ventures Limited ₹ 0.05 Cr (₹ 0.02 Cr), Dalmia Bharat Limited Nil (₹0.01 Cr).
7. Loan and advances given includes transaction with Calcom Cement India Limited ₹ 157.89 Cr (Previous Year ₹ 109.64 Cr.), Adhunik Cement Limited ₹ 35.75 Cr (Previous Year ₹ 18.51 Cr), Dalmia Bharat Cement Holdings Limited ₹ 44.30 Cr (Previous year Nil), Dalmia Cement East Limited ₹ 59.75 Cr (Previous year Nil).
8. Sale of Fixed Assets includes transaction with OCL India Ltd Nil (Previous Year ₹0.30 Cr).
9. Purchase of fixed assets includes transaction with Dalmia Bharat Sugar & Industries Ltd Nil (Previous Year ₹0.09 Cr)
10. Dividend received includes transaction with OCL India Limited ₹ 10.92 Cr (Previous Year ₹ 3.87 Cr).
11. Security Deposit Received includes transaction with DCB Power Ventures Limited ₹ 5.06 Cr (Previous year Nil), Dalmia Bharat Ltd Nil (Previous Year ₹ 0.02 Cr).
12. Interest received includes transactions with Calcom Cement India Limited ₹ 28.78 Cr (Previous Year ₹ 8.83 Cr.), Adhunik Cement Limited ₹ 0.53 Cr (Previous Year ₹ 4.48 Cr).
13. Subscription to Equity Share Capital includes transaction with Dalmia Bharat Cement Holdings Ltd ₹ 332.49 Cr (Previous Year Nil).
14. Sale of shares includes transaction with Dalmia Bharat Cement Holdings Ltd ₹ 0.05 Cr (Previous Year Nil).
15. Share application money includes transaction with Dalmia Bharat Cement Holdings Ltd Nil (Previous Year ₹ 0.05 Cr), Sri Rangam Securities & Holdings Ltd Nil (Previous Year ₹ 0.05 Cr)
16. Managerial Remuneration including sitting fees includes transaction with Sh. Gautam Dalmia ₹ 2.20 Cr (Previous Year ₹ 2.03 Cr), Sh. Puneet Yadu Dalmia ₹ 2.28 Cr (Previous Year ₹ 2.04 Cr) and Sh. Mahendra Singhi ₹ 12.63 Cr (Previous Year ₹ 3.49 Cr).

b) Balances outstanding at year end:

(₹ in Cr.)

Nature of Transaction	Holding Company	Subsidiary Companies	Associate	Joint Venture	Key Management Personnel/ Director	Key Management Personnel controlled enterprises	Total
Loan/ Advances receivable	- (-)	391.19 (216.99)	51.01 (-)	- (-)	- (-)	- (-)	442.20 (216.99)
Amounts receivable	- (-)	7.59 (11.35)	0.05 (0.72)	4.28 (4.28)	- (-)	0.04 (0.01)	11.96 (16.36)
Amounts payable	2.34 (18.19)	0.05 (-)	4.29 (-)	- (-)	- (0.95)	2.58 (1.92)	9.26 (21.06)
Advances For Warrants	- (-)	- (0.01)	- (-)	- (-)	- (-)	- (-)	- (0.01)

Note: Investment with related parties are disclosed in Note 13.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

1. Loan / Advances receivable includes Dalmia Minerals & Properties Limited ₹ 51.01 Cr (Previous Year ₹ 50.02 Cr), Calcom Cement India Ltd ₹ 254.56 Cr (Previous Year ₹ 111.65 Cr).
2. Amount receivable includes Calcom Cement India Limited ₹ 3.12 Cr (Previous Year ₹ 11.23 Cr), Khappa Coal Company Private Limited ₹ 4.28 Cr (Previous year ₹ 4.28 Cr), Dalmia Cement East Limited ₹ 2.86 Cr (Previous year Nil).
3. Amount payable includes Dalmia Bharat Limited ₹ 2.34 Cr (Previous Year ₹ 18.19 Cr), Keshav power Limited ₹ 1.05 Cr (Previous Year ₹ 1.74 Cr), DCB Power Ventures Limited ₹ 4.29 Cr (Previous year ₹ 0.53 Cr), Dalmia Refractories Limited ₹ 1.40 Cr (Previous year Nil).
4. Advances for warrant includes Calcom cement India Limited Nil (Previous year ₹0.01 Cr)

47. Information in respect of Joint venture - Khappa Coal Company Private Limited

S. No.	Particulars	2014-15	2013-14
			(₹ in Cr.)
1	Proportion of Ownership Interest	36.73%	36.73%
2	Country of Incorporation or Registration	India	India
3	Accounting Period ended	31.03.2015	31.03.2014
4	Current Assets	0.33	0.42
5	Non-Current Assets (including capital work in progress)	5.79	5.70
6	Current Liabilities	-	-
7	Non-Current Liabilities	4.28	4.28
8	Income	-	-
9	Expenses	-	-
10	Contingent Liabilities	-	1.43
11	Capital Commitments	-	-

Note: The above details represent Company's 36.73% share in the Joint Venture.

48. In 2011-12 the Company had initially acquired 14.59% stake in Calcom Cement India Limited (Calcom), ultimately extendable to 50% of the Equity Share Capital of Calcom by entering into definitive agreements with Calcom, Saroj Sunrise Private Limited ('SSPL') (a Company owned by the erstwhile promoters of Calcom) and the erstwhile promoters of Calcom. During the year 2012-13, revised agreements were entered in to increase the Company's nominal stake up to 66.26% (and voting stake up to 75.63%) ultimately extendable to nominal stake of 66.70% (and voting stake of 76.00%) of the Equity Share Capital of Calcom - including keeping shares representing nominal stake of 14.23% (and voting stake of 16.24%) of the Equity Share Capital of Calcom in escrow, with beneficial ownership being with the Company, to be released at a future date upon satisfaction of certain conditions. The Company has invested a total amount of ₹ 256.99 Crore and 59.00 Crore respectively in the Equity Shares of Calcom and Optionally Redeemable Convertible Debentures ('OCDs') of SSPL.

The OCDs are non interest bearing and are secured by the pledge of equity shares of Calcom held by SSPL. If certain conditions for performance by promoters of Calcom are met, these OCDs are convertible into equity shares constituting 0.01% shareholding of SSPL, else the Company has an option either to get the debentures redeemed for an aggregate amount of ₹ 59.00 Crore or convert into equity shares constituting 99.99% shareholding of SSPL.

Apart from the above investments, the Company has granted loans to Calcom to the extent of ₹ 254.56 Crores (excluding interest accrued and advance recoverable of ₹ 0.66 crore) as at March 31, 2015 to fund its ongoing Projects as well as losses.

Calcom has incurred losses of ₹ 62.03 crores during the year ended March 31, 2015 and has accumulated losses of ₹ 451.06 crores as at March 31, 2015. Keeping in view of its nature of long term strategic investment, no impairment has been considered for carrying cost of investments and loans/ receivables given to Calcom.

49. During the earlier years, the Company had invested ₹453.56 Crore in Adhunik Cement Limited to make it 100% Subsidiary Company.

Adhunik has incurred losses of ₹ 69.34 crore during the year ended March 31, 2015 and has accumulated losses of ₹ 355.99 crore as at March 31, 2015. However, keeping in view of strategic long term nature of investment, no diminution has been considered in carrying cost of investment in shares of Adhunik.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

50. The Company, in joint venture with Sun Flag Iron & Steel Limited, was allocated Khappa & Extension Coal Block (KECB) by the Ministry of Coal, Government of India vide their letter dated May 29, 2009 for development of coal mine and use of coal for captive mining.

The Company has made an investment of ₹ 1.84 crore in shares of KCCPL and given advance against share application money of ₹ 4.28 crore. State Bank of India has also given a Bank Guarantee of ₹ 3.90 crore in favour of Ministry of Coal, against which the Company has issued a Deed of Guarantee of ₹ 4.00 crore in favour of State of Bank of India as a counter guarantee.

Consequent upon decision of Hon'ble Supreme Court of India for cancellation of coal block vide order dated 24th September 2014, the company has provided for its exposure in joint venture company 'Khappa Coal Company Private Limited' amounting to ₹ 6.12 crore and the same has been shown as exceptional item.

51. During the year, the Company has invested ₹ 332.49 crore in the equity of one of the subsidiary company to facilitate the acquisition of 100% holding of Dalmia Cement East Limited (formerly known as Bokaro Jaypee Cement Limited) having cement production capacity of 2.1 MTpa.

52. During the year, the Company has increased its stake in OCL India Limited from 48% to 74.66% through interse promoter transfer at cost of ₹ 1,030.66 crore.

53. The company is involved in various litigations (including arbitrations), the liability of which are considered probable and in respect of which the company has made entries for ₹ 37.64 crore during the year ended March 31, 2015.

54. Details of loans and advances in nature of loans to subsidiaries, parties in which Directors are interested and Investments by the Loanee in the shares of the company (as required by clause 28 of debt listing agreement)

Particulars	(₹ in Cr.)			
	Outstanding amount as at end of financial year	Maximum amount outstanding during financial year	Outstanding amount as at end of financial year	Maximum amount outstanding during financial year
	2014-15	2014-15	2013-14	2013-14
Loans and Advances to subsidiaries:				
Calcom Cements India Limited	254.56	254.56	111.65	111.65
Adhunik Cement Limited	20.00	20.00	-	47.40
Rajputana Properties Pvt. Ltd.	1.13	1.13	1.01	1.01
Golden Hills Resorts Pvt. Ltd.	0.52	0.52	0.52	0.52
Dalmia Minerals and Properties Ltd.	51.01	51.01	50.02	50.02
Dalmia Bharat Cement Holdings Limited	28.19	28.30	-	-
Dalmia Cement East Limited	25.00	25.00	-	-
Ishita Properties Limited	4.11	4.42	4.42	4.42

Note: Investment in subsidiaries and associates are disclosed in Note 13.

55. The company has given loans / advances to various companies. Loans amount outstanding as at year end is given in below mentioned table along with purpose of the loan.

Name of company	Amount outstanding	
	As at March 31, 2015	As at March 31, 2014
Loan given for business purposes		
Adhunik Cement Limited	20.00	-
Calcom Cement (India) Limited	254.56	111.65
Dalmia Bharat Cement Holdings Limited	28.19	-
Dalmia Cement East Limited	25.00	-
Dalmia Minerals and Properties Limited	51.01	50.02
Golden Hills Resort Private Limited	0.52	0.52
Ishita Properties Limited	4.11	4.42
Rajputana Properties Limited	1.13	1.01

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

Advance given for purchase of mining land

DI Properties Limited	1.70	-
Geetee Estates Limited	6.04	6.03
Hemshila Properties Limited	5.72	6.26
Jeyevijay Agro Farms (P) Limited	3.22	-
Shri Rangam Securities & Holdings Limited	4.20	-
Sri Madhusudana Mines & Properties Limited	6.02	6.02
Sri Rangam Properties Limited	8.46	9.13
Sri Shanmugha Mines & Minerals Limited	8.30	8.30
Sri Subramanya Mines & Minerals Limited	5.25	5.25
Sri Swaminatha Mines & Minerals Limited	2.41	2.41
Sri Trivikrama Mines & Minerals Limited	6.29	5.96

56. As the company is not liable to pay tax on proposed dividend due to receipt of dividend declared by its subsidiary company, no provision for dividend distribution tax has been made in accordance with section 115 (O) of the Income Tax Act, 1961.

57. Due to adoption of depreciation rates on the basis of useful life as prescribed under Schedule II of the Companies Act 2013, depreciation charged for the year is higher by ₹ 9.67 Cr. as compared to the depreciation rates charged during previous year. Further, written down value of fixed assets whose lives have expired as at 1st April, 2014 amounting to ₹ 2.88 Cr. have been adjusted (net of tax of ₹ 0.98 Cr.), from the surplus in statement of profit and loss in accordance with provisions of Schedule II to the Companies Act, 2013.

58. The company had recognized power and sales tax incentives at its Kadappa unit, Andhra Pradesh under the Industrial Investment Promotion policy 2005-2010 issued by Government of Andhra Pradesh, Under the policy, the company was entitled to power cost reimbursement in excess of ₹ 2.50 unit of power consumed and 25% of central sales tax and value added tax paid in Andhra Pradesh. The company had recognized the same as revenue grant as per Accounting Standard -12. The amounts recognized in statement of profit and loss was as given below :-

	(₹in Cr.)	
Particulars	2014-15	2013-14
Power incentive (netted from power and fuel in Note 27)	-	40.52
Sales tax incentive (Revenue from operations in Note 22)	-	10.46
Total	<u>-</u>	<u>50.98</u>

59. In the opinion of the management, there are no impairment indicators and as such the impairment exercise has not been carried out by the management.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to Financial Statement as at and for the year ended March 31, 2015

60. Previous Year Comparatives

Figures in brackets pertain to previous year. Previous year's figure have been regrouped where necessary to confirm to this year's classification.

As per our report of even date

For S.R.Batliboi & Co. LLP

Firm registration No. : 301003E

Chartered Accountants

per Manoj Gupta

Partner

Membership No.83906

Place : Gurgaon

Date: May 12, 2015

For S.S. Kothari Mehta & Co.

Firm registration No. : 000756N

Chartered Accountants

per Arun K. Tulsian

Partner

Membership No.89907

Place : New Delhi

Date: May 12, 2015

Mahendra Singhi Puneet Yadu Dalmia
Whole time Director & CEO Managing Director

Jayesh Doshi Manisha Bansal
Chief Financial Officer Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DALMIA CEMENT (BHARAT) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Dalmia Cement (Bharat) Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and jointly controlled entities, comprising of the consolidated balance sheet as at 31st March, 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 Associate and 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances 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.

Basis for Qualified Opinion

We invite attention to Note 62 in the financial statements, in case of one subsidiary and three step down subsidiaries of the Holding Company not audited by us, whose consolidated financial statements/ financial information reflect total assets of Rs. 1,171.12

DALMIA CEMENT (BHARAT) LIMITED

crores as at 31st March, 2015 and total revenues of Rs. 270.93 crores and net cash outflows amounting to Rs. 29.46 crores for the year ended 31st March, 2015, have been considered in these consolidated financial statements. The financial statements/financial information of one subsidiary and three step down subsidiaries is pending audit by their auditors whose reports have not yet been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this one subsidiary and three step down subsidiaries, is based solely on the unaudited information provided by the Management of this one subsidiary and three step down subsidiaries.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph above*, 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, its associate and jointly controlled entities as at March 31, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements/financial information of one jointly controlled entity and twenty seven subsidiaries/step down subsidiaries whose financial statements reflect total assets of Rs. 6,079.18 crores as at 31st March, 2015, total revenues of Rs. 848.30 crores and net cash inflows amounting to Rs. 50.44 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information 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/step down subsidiaries and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries/step down subsidiaries and jointly controlled entity, is

based solely on the reports of the other auditors.

- b) We did not audit the financial statements/financial information of one jointly controlled entity whose financial statements/financial information reflect total assets of Rs. 3.52 crores as at 31st March, 2015, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information are unaudited and certified & 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 this jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the jointly controlled entity, is based solely on such unaudited & management certified financial statements. In our opinion and according to the information and explanations given to us by the Management, the financial statements of this jointly controlled entity is not material to the Group.

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

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 sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary/step down subsidiary companies, associate company and jointly controlled entity incorporated in India, 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, except for the possible effect of the matter described in the Basis for

DALMIA CEMENT (BHARAT) LIMITED

Qualified Opinion paragraph above, 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, except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, 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 maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, 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 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary/step down subsidiary companies, its associate company and jointly controlled entities incorporated in India, none of the directors of the Group companies, its associate company and jointly controlled entities incorporated in India is disqualified as on 31st March, 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. Except for the possible effect of the matter described in the Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and jointly controlled entities – Refer Note 32 & Note 57 to the consolidated financial statements.
- ii. Except for the possible effect of the matter described in the Basis of Qualified Opinion above, the Group, its associate and jointly controlled entities did not have any material foreseeable losses on long term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary/step down subsidiary companies, associate company and jointly controlled entity incorporated in India.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm's Registration No. 000756N

Place: New Delhi
Date: May 12, 2015

Arun K. Tulsian
Partner
Membership No.-089907

DALMIA CEMENT (BHARAT) LIMITED

Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the members of Dalmia Cement (Bharat) Limited on its consolidated financial statements as of and for the year ended March 31, 2015.

Our reporting on the Order includes Holding Company, twenty four subsidiaries/step down subsidiaries, one associate and one jointly controlled entity incorporated in India to which the Order is applicable. Twenty three subsidiaries/step down subsidiaries and one jointly controlled entity have been audited by the other auditors and our report in respect to these entities is solely based on the reports of the other auditors, to the extent considered applicable for reporting under the Order in case of the consolidated financial statements.

The Order is not applicable in respect of two step down audited subsidiaries incorporated outside India and two audited subsidiaries incorporated in India. Four subsidiaries/step down subsidiaries and one jointly controlled entity are based on management certified accounts and accordingly the possible effects of the same on our reporting under the Order has not been considered.

- I. The Holding Company, twenty two subsidiaries, Jointly controlled entity and associate have maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The fixed assets of the Holding Company, twenty two subsidiaries, Jointly controlled entity and associate have been physically verified by the respective management, according to the programme of periodical physical verification in phased manner which in our opinion and the opinion of other auditors is reasonable having regard to the size of the Holding Company, twenty two subsidiaries, Jointly controlled entity and associate and the nature of their fixed assets. The discrepancies noticed on such physical verification were not material. In case of two subsidiaries, there are no fixed assets during the year, therefore the provisions on clause 3(i) of the Order are not applicable.
- II. The inventories of the Holding Company and four subsidiaries have been physically verified by the respective management at reasonable intervals. The procedures of physical verification of inventories followed by the respective management of the Holding Company and four subsidiaries are reasonable and adequate in

relation to the size of the Holding Company and four subsidiaries and nature of its business. The Holding Company and four subsidiaries are maintaining proper records of inventories. The discrepancies noticed on such physical verification of inventory as compared to book records in case of Holding Company and four subsidiaries were not material and have been properly dealt within the books of account. Twenty subsidiaries, Jointly controlled entity and associate do not have any inventory during the year, therefore, the provisions of Clause 3 (ii) of the said Order are not applicable.

- III. The Holding Company and two subsidiaries have granted loans, secured or unsecured during the year to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. In this regard, the receipt of the principal as well as interest is regular. Furthermore, no amount, principal as well as interest, is overdue in case of Holding Company and two subsidiaries. Twenty two subsidiaries, Jointly controlled entity and associate has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act, therefore, the provisions of Clause 3(iii) of the said Order are not applicable.
- IV. According to the information and explanations given to us and the other auditors, there seems to be adequate internal control systems commensurate with the size of the Group and its associate and Jointly controlled entity and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods & services (including investment). Based on the audit procedures performed by us and other auditors and on the basis of information and explanations provided to us and the other auditors by the respective management during the course of audit, we and the other auditors have not observed any continuing failure to correct major weaknesses in the aforesaid internal control systems.
- V. In the case of Holding Company and one subsidiary company, the deposits outstanding at the beginning of the year have been repaid during the current year. In our opinion and the opinion of the other auditors and according to the information and explanations provided by the respective management to us and the other auditors, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other

DALMIA CEMENT (BHARAT) LIMITED

relevant provisions of the Act, and the Rules framed there under, to the extent applicable, have been complied with. According to the information and explanations given to us and the other auditors, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard. Twenty three subsidiaries, Jointly controlled entity and associate have not accepted any deposits from the public, therefore, the provisions of Clause 3(v) of the said Order are not applicable.

VI. The books of account maintained by the Holding Company and four subsidiaries pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the respective company's products to which said Rules are made applicable have been broadly reviewed by us and their respective auditors and we and the other auditors are of the opinion that prima facie, the prescribed records have been maintained. However we and the other auditors are not required to make a detailed examination of the same. Twenty subsidiaries, Jointly controlled entity and associate are not required to maintain any cost records specified by the Central Government under section 148(1) of the Act, therefore, the provisions of Clause 3(vi) of the said Order are not applicable.

VII. (a) According to the information and explanations given to us and the other auditors, the records of the Group and its associate and Jointly controlled entity examined by us and the other auditors, in our opinion and the opinion of the other auditors, the Group its associate and Jointly controlled entity 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 material statutory dues with the appropriate authorities, to the extent applicable, except for the state cement cess, water cess, purchase tax on limestone, state cess on limestone and royalty on limestone in case of one subsidiary company where there have been delays in some cases, although such dues were paid by year end. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the other auditors and as per the books and records examined by us and the other auditors of Group and its associate and Jointly controlled entity there are no dues of income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues which have not been deposited on account of any dispute except the following dues along with the forum where the dispute is pending are given below:-

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount relates	Forum where dispute is pending
Custom Act, 1962	Demand of custom duty and countervailing duty for Coal imported at Karaikkal Port disputing the classification from steam coal as claimed by the Company to bituminous coal	41.99	April 2012 to December 2012	Custom Excise and Service Tax Appellate Tribunal, Chennai
	Erroneous refund of deposit	0.22	2007-08	Custom Excise and Service Tax Appellate Tribunal, Chennai

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount relates	Forum where dispute is pending
Finance Act,	Demand of Service Tax on freight expenses differential between service tax return and books of accounts	5.64	April 2007 to October 2012	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Demand of penalty and interest on delay in payment of service tax	1.01	June 2005 to December 2005	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Denial service tax credit taken on outdoor catering services on ground that it is not connected with manufacture of goods Short payment of Service Tax	0.04 0.03	April 2006 to May 2007 April 2006 to September 2006	High Court, Madurai Assistant Commissioner, Tiruchirapalli
Andhra Pradesh Value Added Tax Act, 2005	Penalty for wrong VAT credit taken	0.09	June 2008 to August 2010	Deputy Commissioner of Commercial Taxes, Hyderabad
	Denial of VAT credit	0.18	May 2007 to May 2008	Andhra Pradesh Sales tax Appellate Tribunal, Hyderabad
	Denial of VAT credit and restriction	0.34	June 2008 to March 2012	Deputy Commissioner of Commercial Taxes, Hyderabad
Kerala Value Added Tax Act, 2003	Demand for incorrect turnover reported (Stock Transfer) as per return, omissions and refill shortages	2.20	April 2008 to March 2010	Deputy Commissioner (Appeal), Ernakulum
	Demand for sales tax on freight as Company deducted freight while computing sales tax	1.71	April 2013 to August 2013	Deputy Commissioner Appeal), (Ernakulum
	Non furnishing of closing stock statement, non-filing of separate profit and loss account under VAT	1.49	April 2007 – March 2008	Deputy Commissioner (Appeal), Ernakulum
	Demand for probable omission and suppression of facts, refill shortages, based on stock valuation	0.27	April 2006 to March 2007	Deputy Commissioner (Appeal), Ernakulum

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount	Forum where dispute is pending
	Material held up by the sales tax dept. for improper documentation at the time of delivery.	0.03	April 2008 to March 2009	Assistant Commissioner (SPL Circle)-1, Ernakulum
	Incorrect VAT Credit availed	0.21	April 2006 to March 2007	Joint Commissioner, Ernakulum
Tamil Nadu Value Added Tax Act 2006	Demand of VAT on Cement Cess, BIS Marking Fee and shortfall in the Input tax credit reversal	2.47	April 2010 to March 2013	Sales Tax Appellate Tribunal, Madurai
	Demand of VAT on Cement Cess, BIS Marking Fee and shortfall in the Input tax credit reversal	0.24	April to May 2013	Appellate Deputy Commissioner (Commercial Taxes), Trichy
Tamil Nadu General Sales Tax Act, 1959	Demand for sales tax on packing charges	0.60	April 1975 to March 1978 April 1983 to March 1984	Commercial Tax Officer, Lalgudi
	Denial of concessional rate benefit on certain items purchased through Form XVII	0.63	April 1986 to March 1998	Sales Tax Appellate Tribunal, Madurai
	Denial of concessional rate benefit on certain items purchased through Form XVII	0.09	April 1997 to March 2000	Commercial Tax Officer, Lalgudi
Central Sales Tax Act, 1956	Non-submission of "C" Forms	0.97	April 2010 – March 2013	Appellate Dy. Commissioner, Trichy
	Non-submission of declaration forms	0.21	April 2009 to March 2010	Sales tax Appellate Tribunal, Hyderabad
	Non-submission of declaration forms	0.02	April 2010 to August 2010	Deputy Commissioner of Commercial Taxes, Hyderabad
	Non-submission of declaration forms	1.90	September 2010 to March 2012	Sales tax Appellate Tribunal, Hyderabad
	Central Sales Tax	0.0011	2006-07	Orissa Sales Tax Tribunal
	Central Sales Tax	3.70	2011-12 to 2012-13	Add. Commissioner of Sales Tax
The West Bengal tax on entry of goods into Local Areas Act, 2012	Entry tax	0.82	August 2013- March 2015	Kolkata High Court Division Bench

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount	Forum where dispute is pending
Meghalaya VAT Act, 2005	Purchase tax on coal and shale	8.56	2011-15	Superintendent of Taxes
The Meghalaya Electricity Duty (Amendment) Act, 1974	Electricity Duty	0.34	2013- 14 to 2014-15	Superintendent of Taxes
Local Sales Tax Act	Demand for VAT	0.03	FY 2011-12	DC, Bokaro
	Contravention of Jharkhand VAT	0.08	FY 2013-14	Jharkhand Tribunal, Ranchi
	Contravention of West Bengal VAT	0.45	FY 2013-14	West Bengal Tribunal
	Contravention of Jharkhand VAT	0.003	FY 2013-14	JCCT (Appeals) Hazaribagh
	Demand for VAT	1.01	FY 2010-11	JCCT (Appeals) Dhanbad Division
	Orissa Sales Tax/VAT	4.40	1995-96 and 1997-98 to 2000-01	Orissa Sales Tax Tribunal
	Orissa VAT	0.16	2005-06	Commissioner of Sales Tax
	West Bengal Sales Tax	0.13	1996-97, 1999-00, 2001-02, 2004-05, 2010-11 and 2014-15	West Bengal Commercial Taxes Appellate & Revisional Board
Building and other construction workers welfare cess Act, 1996	Demand on account of Building Cess	1.01	FY 2008-09 to FY 2011-12	High Court of Jharkhand
The Tamil Nadu Tax on Entry of Goods into Local Areas Act, 2001	Entry tax on bags purchased for other states	0.20	April 2005 to March 2006	Supreme Court
	Entry Tax on TMT Bars purchased for captive power plant and Expansion Project	0.26	April 2004 to May 2004	Supreme Court
Income Tax Act, 1961	Disallowance on account of the unaccounted cash, overpricing of purchases, unexplained expenditure and Section 14A disallowances	3.37	2005-06 to 2011-12	Commissioner of Income Tax (Appeals), New Delhi

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount	Forum where dispute is pending
	Disallowance of entire expenses claimed and also treated profit on foreign exchange fluctuations and interest income as income from other sources	0.23	2011-12	Dy. Commissioner of Income Tax, New Delhi
	Income tax	1.80	A.Y 2005-06, 2007-08 & 2011-12	CIT(A) Delhi
	Income tax	0.0023	A/Y 2010-11	CIT (Appeals), New Delhi
Wealth Tax Act. 1957	Addition to the net wealth on account of undisclosed cash	0.13	2011-12	Dy. Commissioner of Wealth Tax, New Delhi
Central Excise Act, 1944	Disallowance of credit taken on Inputs, Capital goods and services.	151.87	August 2007 to Sept 2009	Custom Excise & Service Tax Appellate Tribunal, New Delhi
	ED on Cement (other customers)	9.43	July 2009 to March 2012	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	Denial of Input and Service Tax Credit	0.24	April 2011 to March 2012	Custom Excise & Service Tax Appellate Tribunal, Bangalore
		0.18	April 2010 to June 2010	Custom Excise & Service Tax Appellate Tribunal, Bangalore
		0.12	September 2010 to March 2011	Custom Excise & Service Tax Appellate Tribunal, Bangalore
		0.03	April 2012 to September 2012	Commissioner of Central Excise (Appeals), Guntur
		0.04	October 2012 to September 2013	Commissioner of Central Excise (Appeals), Guntur
	Demand of Excise duty as per tariff in respect of cement clearance to depot without affixing the MRP	10.69	November 2009 to March 2011	Custom Excise & Service Tax Appellate Tribunal, Bangalore

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount	Forum where dispute is pending
	Denial of CENVAT credit of service tax paid on GTA service	4.97	April 2009 to August 2013	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	Denial of cenvat credit on cement and steel used in the construction of factory, civil structure, foundation etc.	30.14	July 2008 to March 2010	Custom Excise & Service Tax Appellate Tribunal, New Delhi
		5.87	September 2004 to April 2006	Custom Excise & Service Tax Appellate Tribunal, Chennai
		0.13	2007-08	Commissioner, Tiruchirappalli
		0.30	Oct 1997 to July 1998	High Court, Chennai
	Differential amount of excise duty disallowing concessional rate of duty on non –trade bulk sale	8.43	May 2007 to November 2007	Supreme Court
	Denial of cenvat credit on capital goods, inputs and input services availed in setting up captive power plant	7.05	April 2006- March 2007	High Court, Chennai
	Demand of excise duty on clinker used for manufacture of cement cleared to SEZ	4.08	November 2007 to July 2009 Delhi	Custom Excise & Service Tax Appellate Tribunal, Delhi
		7.21	August 2009 to March 2011	Custom Excise & Service Tax Appellate Tribunal, Chennai
		1.50	July 2006 to October 2007	Joint Commissioner, Excise
		0.46	March 2011 to December 2011	Adjudication, Tiruchirappalli
	Denial of wrong Availment of Cenvat Credit on Intermediate Capital Goods (Pre-Heater Project)	0.72	October 2001 to April 2002	Supreme Court
	Denial of cenvat credit on Industrial Gases, Welding Electrodes	0.20	April 2007 to October 2011	Commissioner (Appeals) Trichy

DALMIA CEMENT (BHARAT) LIMITED

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount	Forum where dispute is pending
	Demand of duty on Oil well Cement cleared to ONGC under international competitive bidding	0.94	September 2010 to March 2011	Commissioner of Excise, Trichy
	Denial of refund of excise duty on packing charges on the ground of unjust enrichment	0.08	May 2008 to July 2008	High Court, Chennai
	Demand for irregular availment of CENVAT credit	0.07	August 2011	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Cenvat credit on Steel items as Inputs and Capital goods, unspecified items and welding electrodes	0.07	July 2010 to Dec 2010	Custom Excise & Service Tax Appellate Tribunal, Chennai
		0.11	March 2010 to June 2010	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Denial of refund of excise duty on Equalised Freight	2.64	April 1972 to March 1976	Supreme Court
	Non reversal of Cenvat credit obsolete stores & spares written off	0.23	April 1994 to March 2004	Custom Excise & Service Tax Appellate Tribunal, Chennai
	Cenvat credit utilisation	0.45	2008-10	Custom Excise & Service Tax Appellate Tribunal
	Cenvat credit utilisation	0.13	2006-10	Custom Excise & Service Tax Appellate Tribunal
	Demand for excise duty	1.25	May 2011 to February 2012	Commissioner of Excise, Ranchi
	Demand for excise duty	1.69	March 2012 to December 2012	Commissioner of Excise, Ranchi
	Demand for excise duty	1.97	January 2013 to December 2013	Commissioner of Excise, Ranchi
	Demand for excise duty	1.47	January 2014 to November 2014	Commissioner of Excise, Ranchi
	Cenvat Credit/Excise	37.56	01.12.2006 to 30.06.2008 and 30.06.2011	CESTAT, Kolkata, CCE, BBSR

DALMIA CEMENT (BHARAT) LIMITED

- (c) According to the records and information and explanations given to us and the other auditors, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time by the Group including its associate and Jointly controlled entity (wherever required).
- VIII. Holding company and its associate, four subsidiaries and Jointly controlled entity has no accumulated losses at the end of the financial year and have not incurred cash losses in the current financial year and in the immediately preceding financial year. Seven subsidiaries have accumulated losses at the end of financial year less than 50% of its net worth and have incurred cash losses in the current financial year and in the immediately preceding financial year. Three subsidiaries have accumulated losses at the end of financial year less than 50% of its net worth and has incurred cash losses in the current financial year but not in the immediately preceding financial year. Six subsidiaries do not have accumulated losses at the end of financial year and has incurred cash losses in the current financial year and in the immediately preceding financial year. Three subsidiaries have accumulated losses at the end of financial year more than 50% of its net worth and has incurred cash losses in the current financial year and in the immediately preceding financial year. One subsidiary company has accumulated losses at the end of financial year more than 50% of its net worth and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- IX. According to the records of the Holding Company, five subsidiaries and associate examined by us and the other auditors and the information and explanations given to us and the other auditors, in our and other auditors opinion, the Holding Company, five subsidiaries and associate has not defaulted in repayment of dues to banks, financial institution or debenture holders during the year. Nineteen subsidiaries and Jointly controlled entity has not taken any loans from any financial institution, bank or debenture holders, therefore, the provisions of Clause 3(ix) of the said Order are not applicable.
- X. As per the information and explanations given to us and the other auditors and on the basis of our and other auditors examination of the records, Holding Company and one subsidiary company has given guarantee for loans taken by others from banks, the terms and conditions whereof, in our opinion and the opinion of other auditors, are not prima-facie prejudicial to the interest of the Holding Company and one subsidiary company. Twenty three subsidiaries, Jointly controlled entity and associate has not given any guarantee for loans taken by others from banks or financial institutions, therefore, the provisions of Clause 3(x) of the said Order are not applicable.
- XI. As per the information and explanations given to us and the other auditors and on the basis of our and other auditor's examination of the records, the term loans taken by the Holding Company, five subsidiaries and associate have been applied for the purpose for which they were obtained, where such end use has been stipulated by the lender. Nineteen subsidiaries and Jointly controlled entity has not raised any term loan during the year, therefore, the provisions of Clause 3(xi) of the said Order are not applicable.
- XII. During the course of our and other auditors examination of the books and records of the Group and its associate and Jointly controlled entity carried out in accordance with the generally accepted auditing practices in India, we and the other auditors have neither come across any instance of fraud on or by the Group & its associate and Jointly controlled entity, noticed or reported during the year, nor have we and the other auditors been informed of such case by the respective management.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm's Registration No. 000756N

Arun K. Tulsian
Partner
Membership No.-089907

Place: New Delhi
Date: May 12, 2015

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited Consolidated Balance sheet as at March 31, 2015

	Notes	As at March 31, 2015 (in ₹ Crore)	As at March 31, 2014 (in ₹ Crore)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	252.92	252.92
Reserves and Surplus	3	2,693.97	2,759.35
		2,946.89	3,012.27
Preference Capital Held by others		0.70	0.70
Minority Interest		302.54	(5.88)
Deferred Capital Investment Subsidy		27.33	30.51
Non- Current Liabilities			
Long-term borrowings	4	7,104.96	3,550.78
Deferred Tax Liability (Net)	5	370.91	132.58
Other long-term liabilities	6	297.93	70.76
Long term provisions	7	35.77	25.72
		7,809.57	3,779.84
Current Liabilities			
Short-term borrowings	8	682.10	522.98
Trade payables	9	766.78	402.57
Other current liabilities	10	1,090.43	387.01
Short-term provisions	11	38.03	8.02
		2,577.34	1,320.58
Total		13,664.37	8,138.02
ASSETS			
Non-current assets			
Goodwill on Consolidation		1,964.22	468.94
Fixed Assets			
Tangible assets	12	5,552.32	3,977.40
Intangible assets	12	6.84	3.98
Capital work-in-progress		1,770.56	1,164.73
		9,293.94	5,615.05
Non-current Investments	13	255.80	821.89
Long term loans and advances	14	367.34	346.92
Other Non- Current Assets	15	14.49	4.25
		637.63	1,173.06
Current Assets			
Current Investments	16	1,300.50	382.53
Inventories	17	729.32	315.54
Trade Receivables	18	507.92	247.89
Cash and cash equivalents	19	511.57	79.46
Short-term loans and advances	20	682.74	322.68
Other current assets	21	0.75	1.81
		3,732.80	1,349.91
Total		13,664.37	8,138.02
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

S.S. Kothari Mehta & Co.

Firm registration number: 000756N

Chartered Accountants

Arun K. Tulsian

Partner

Membership No. 89907

Place: New Delhi

Date: May 12, 2015

Mahendra Singhi
Whole time Director & CEO

Jayesh Doshi
Chief Financial Officer

Puneet Yadu Dalmia
Managing Director

Manisha Bansal
Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

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

	Notes	For the year ended, March 31,2015 (in ₹ Crore)	For the year ended, March 31,2014 (in ₹ Crore)
Income			
Revenue from operations (gross)	22	3,956.79	3,323.82
Less: Excise Duty		484.50	409.35
Revenue from operations (Net)		3,472.29	2,914.47
Other income	23	70.86	33.69
Total Revenue (I)		3,543.15	2,948.16
Expenses			
Cost of materials consumed	24	479.07	332.77
Purchase of stock in trade		47.94	10.41
Changes in inventories of finished goods, work in progress and stock in trade	25	(6.14)	12.67
Employee benefits expense	26	203.57	158.81
Other Expenses	27	2,202.15	1,992.71
Total (II)		2,926.59	2,507.37
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		616.56	440.79
Finance Cost	28	435.28	314.78
Depreciation and amortization expenses	12	255.43	219.76
Profit/ (loss) before exceptional item and tax		(74.15)	(93.75)
Exceptional Items		(6.12)	-
Profit / (loss) before tax		(80.27)	(93.75)
Tax expense			
Current tax	27.58		11.97
MAT (credit entitlement) / charge	(26.04)	1.54	-
Deferred Tax		29.51	23.75
Prior year tax charge/ (written back)		(2.37)	5.35
Total Tax Expense		28.68	41.07
Profit after Tax before Share of Profit in Associates		(108.95)	(134.82)
Add: Share of Profit in Associates		54.74	52.03
Less: Share of Minority Interest		(11.15)	(20.87)
Profit/ (loss) after tax		(43.06)	(61.92)
Earning per Share	29		
Basic and Diluted Earnings Per Share (In ₹)		(1.70)	(2.45)
[Nominal Value of Share ₹10 (₹10) each]			
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

S.S. Kothari Mehta & Co.

Firm registration number: 000756N

Chartered Accountants

Arun K. Tulsian

Partner

Membership No. 89907

Place: New Delhi

Date: May 12, 2015

Mahendra Singhi
Whole time Director & CEO

Jayesh Doshi
Chief Financial Officer

Puneet Yadu Dalmia
Managing Director

Manisha Bansal
Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited Cash Flow Statement for the year ended March 31, 2015

(in ₹ Crore)

	2014-15	2013-14
A. Cash Flow from Operating Activities		
Net Profit before tax	(80.27)	(93.75)
Adjustments		
Depreciation/Amortisation	255.43	219.76
Provision for doubtful debts/advances	3.72	(1.45)
Bad debts written off	0.96	9.05
Dividend Income	(1.40)	(1.33)
Finance costs	435.28	314.78
Interest Income	(11.60)	(2.78)
(Profit)/Loss on sale of Investments (net)	(53.74)	(27.12)
Assets written off/Loss on sale of assets	2.09	1.84
Operating Profit before working Capital Changes	550.47	419.00
Adjustments for working Capital changes :		
Inventories	26.75	15.54
Trade Payables, Liabilities and Provisions	(103.61)	147.37
Trade Receivables, Loans and Advances and Other Current Assets	91.63	(12.03)
Cash Generated from Operations	565.23	569.88
Direct Taxes Paid	(105.09)	(21.82)
Net Cash from Operating activities	460.14	548.06
B Cash Flow from Investing Activities		
Purchase of fixed Assets including CWIP.	(404.66)	(745.57)
Proceeds from sale of Fixed Assets	1.83	1.61
(Purchase)/ Sale of Current Investments (net)	(496.59)	30.57
(Purchase)/ Sale of Non Current Investments (net)	(10.06)	(93.54)
Acquisition of subsidiaries	(2,026.27)	(107.67)
Interest Received	5.57	2.59
Dividend Received from Current Investments	1.40	1.33
Net Cash used in Investing Activities	(2,928.78)	(910.68)
C Cash Flow from Financing Activities		
Proceeds / (Repayment) from Short term Borrowings	72.48	232.03
Proceeds / (Repayment) from Long term Borrowings	3,315.83	517.43
Finance cost	(538.91)	(388.89)
Dividend paid	-	(13.91)
Dividend Distribution tax paid	-	(2.37)
Net Cash from Financing Activities	2,849.41	344.29
Net increase in cash and cash equivalents (A+B+C)	380.77	(18.33)
Cash and cash equivalents (Opening Balance)	79.46	97.79
Add: Additions on acquisition of subsidiaries	51.34	-
Cash and cash equivalents (Closing Balance)	511.57	79.46
Change in Cash & Cash Equivalents	(380.77)	(18.33)

Note:

- 1) Cash & cash equivalents components are as per Note 19 of the Financial Statements
- 2) Previous year figures have been regrouped/restated where ever considered necessary

As per our report of even date

S.S. Kothari Mehta & Co.

Firm registration number: 000756N

Chartered Accountants

Arun K. Tulsian

Partner

Membership No. 89907

Place: New Delhi

Date: May 12, 2015

Mahendra Singhi
Whole time Director & CEO

Jayesh Doshi
Chief Financial Officer

Puneet Yadu Dalmia
Managing Director

Manisha Bansal
Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

Note 1

Significant Accounting Policies

A. Corporate Information

Dalmia Cement (Bharat) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its debt securities are listed on one stock exchange in India. The company is engaged in the manufacturing and selling of cement.

B. Basis of preparation

The Consolidated Financial Statements ("CFS") of the group have been prepared in accordance with 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 paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for assets transferred and vested in the group pursuant to the Schemes of Arrangement which are carried at fair market value determined in accordance with schemes.

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

The CFS relate to Dalmia Cement (Bharat) Limited (hereinafter referred as the "Company/Parent") and its Subsidiaries, Associate and Joint Venture (hereinafter collectively referred as the "Group").

C. Principles of Consolidation

In the preparation of these Consolidated Financial Statements, investment in Subsidiaries, Associate and Joint Venture have been accounted for in accordance with Accounting Standard (AS) 21 - Consolidated Financial Statements, Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures. The

Consolidated Financial Statements have been prepared on the following basis.

1. Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealised profits or losses, except where cost cannot be recovered.
2. Minorities' interest in net profit of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding company.
3. Interests in the assets, liabilities, income and expenses of the joint venture are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealised profits/ losses are eliminated to the extent of Company's proportionate share.
4. The difference of the cost to the Company of its investment in subsidiaries and joint venture over its proportionate share in the equity of the Investee Company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
5. Investment in entities in which the Group has significant influence but not controlling interest, are reported according to the equity method i.e. the investment is initially recorded at cost adjusted thereafter for post-acquisition change in the Company's share of net assets of the associates. The consolidated profit and loss account includes the Company's share of the result of the operations of the associate.

Unrealised profits and losses resulting from transactions between the investor (or its

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

consolidated subsidiaries) and the associate have been eliminated to the extent of the investor's interest in the associate. Unrealised losses have not been eliminated if and to the extent the cost of the transferred asset cannot be recovered.

6. Goodwill/capital reserve arising on the acquisition of an associate by an investor is included in the carrying amount of investment in the associate and is disclosed separately.
7. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's standalone financial statements. Differences in accounting policies have been disclosed separately.
8. The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the Consolidated statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.
9. The accounts of all the Group Companies are drawn up to the same reporting date as the parent entity (i.e. financial year ended March 31, 2015).

D. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

E. Tangible fixed assets

Fixed assets, except for assets transferred and

vested in the group pursuant to the Schemes of Arrangement, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The group adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

F. Depreciation on tangible fixed assets

(a) Depreciation on fixed assets is calculated on a straight line basis (except to the extent stated in para (b) below) using the rates arrived at based on the useful lives estimated by the management or those prescribed under Schedule II to the Companies Act, 2013, whichever is lower. The group has estimated the useful live different from rates prescribed in Schedule II in the following cases:--

	<u>Useful Life</u>
i) Polysius Kiln assets	9 years
ii) Certain DG sets and workshop appliances	5 years
iii) Power plants in southern India	25 years

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

- iv) Assets of its step down subsidiary OCL China Limited
- | | |
|-------------------------------------|----------|
| a. House and Building | 20 years |
| b. Machinery and mechanic equipment | 10 years |
| c. Means of Transportaion | 4 years |
| d. Electronic equipment | 3 years |

(b) Depreciation on certain assets of OCL India Limited is provided using the reducing balance method in the manner and at the rates specified in Schedule II to the Companies Act, 2013 (except plant and machinery added in cement & refractory after 31-12-81 excluding additions in Kapilas Cement Works, Clinkerisation unit at Rajgangpur (Line-II), Captive Power Plant, Bengal Cement Works & Solar Power Plant).

(c) Land bearing mineral reserves is amortized over its estimated commercial life based on the unit of production method.

G. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The group uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates,

the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the group's intangible assets is as below:

	Useful life
Computer software	3 to 5 years (Except in case of its step down subsidiary OCL China Limited, in which useful life is estimated as 10 years)

H. 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 capitalized 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

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

Where the group is the lessor

Leases in which the group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

I. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

J. Impairment of tangible and intangible assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

K. Goodwill on consolidation

Goodwill represents the difference between the Group's share in the net worth of the investee companies and the cost of acquisition at the date of investment. For this purpose, the Groups' share of equity in the investee companies is determined on the basis of the latest financial statements of the respective companies available as on the date of acquisition, after making

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

necessary adjustments for material events between the date of such financial statements and the date of acquisition.

L. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

M. 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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.

N. Inventories

Raw materials, 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 and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

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

O. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

Interest income is recognized on a time proportion basis taking into account the amount

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the group's right to receive dividend is established by the reporting date.

Insurance Claim

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

P. Foreign currency translation

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. 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.

Exchange differences

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the

concerned monetary item. All other exchange differences are recognized as income or as expenses in the period in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

Q. Retirement and other employee benefits

Retirement benefit in the form of provident fund contribution to Statutory Provident Fund, pension fund, superannuation fund and ESI are defined contribution schemes. The contributions are charged to the statement of profit and loss whenever services are rendered. The group has no obligation, other than the contribution payable to the provident fund.

The group operates two defined benefit plans for its employees, viz., gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

R. Income taxes

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The group

writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

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

S. Segment reporting

Identification of segments

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

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

Inter-segment transfers

The group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

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

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.

T. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

U. Provisions

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

The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

V. Contingent liabilities

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

W. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

2. Share Capital

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
Authorised:		
300,000,000 (300,000,000) Equity Shares of ₹ 10/- each	300.00	300.00
30,000,000 (30,000,000) Preference Shares of ₹ 100/- each	300.00	300.00
773,000,000 (773,000,000) Unclassified Shares of ₹ 10/- each	773.00	773.00
	<u>1,373.00</u>	<u>1,373.00</u>
Issued, Subscribed and Fully Paid Up :		
252,919,005 (252,919,005) Equity Shares of ₹ 10/- each	252.92	252.92
	<u>252.92</u>	<u>252.92</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2015		March 31, 2014	
	(No. of Shares)	(₹ Crore)	(No. of Shares)	(₹ Crore)
At the beginning of the year	252,919,005	252.92	252,919,005	252.92
At the end of the period	<u>252,919,005</u>	<u>252.92</u>	<u>252,919,005</u>	<u>252.92</u>

b. Terms/ rights attached to Equity shares

The Company has only one class of equity shares having a face value of ₹10 per share. Each equity shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of dividend per share recognized as distribution to equity shareholders was ₹ 0.36 (Nil).

In the event of winding-up of the company, the equity shareholders shall be entitled to be repaid remaining assets of the company in the ratio of the amount of capital paid up on such equity shares.

c. Equity shares held by holding company

	March 31, 2015		March 31, 2014	
	(No. of Shares)	(₹ Crore)	(No. of Shares)	(₹ Crore)
Dalmia Bharat Limited	215,000,000	215.00	215,000,000	215.00

d. Details of shareholders holding more than 5% shares in the company

	March 31, 2015		March 31, 2014	
	(No. of Shares)	% holding	(No. of Shares)	% holding
Dalmia Bharat Limited	215,000,000	85.01%	215,000,000	85.01%
KKR Mauritius Cements Investments Limited	37,919,005	14.99%	37,919,005	14.99%

3. Reserves and Surplus

Capital Reserve

Opening Balance as per last financial statements	4.81	4.81
Add/(less): Capital subsidy	(0.01)	-
Closing Balance	<u>4.80</u>	<u>4.81</u>

Business Restructuring Reserve

Opening Balance as per last financial statements	1,953.23	1,920.18
Add: Additions during the year	3.15	33.05
Closing Balance	<u>1,956.38</u>	<u>1,953.23</u>

Securities Premium Reserve

Opening Balance as per last financial statements	458.70	458.70
Closing Balance	<u>458.70</u>	<u>458.70</u>

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
General Reserve		
Opening Balance as per last financial statements	-	-
Add: Transferred from surplus in statement of profit and loss	120.00	-
Closing Balance	120.00	-
Debenture Redemption Reserve		
Opening Balance as per last financial statements	90.00	75.83
Add: Created during the year	113.96	14.17
Less: released during the year	32.50	-
Closing Balance	171.46	90.00
Foreign Currency Translation Reserve		
Opening Balance as per last financial statements	-	-
Add: Arised during the year	0.16	-
Closing Balance	0.16	-
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	252.61	297.96
Add: Adjustment on merger of subsidiary company	-	36.67
Profit/(loss) for the year	(43.06)	(61.92)
Less: Written down value of fixed assets whose life were expired as at April 1, 2014 adjusted as per companies Act, 2013 net of tax (Refer Note 55)	4.25	-
Add: Transfer from Debenture Redemption Reserve	32.50	-
Less: Appropriations		
Transfer to Debenture Redemption Reserve	113.96	14.17
Transfer to General Reserve	120.00	-
Proposed Dividend on equity shares	14.88	-
Dividend Distribution Tax	4.63	-
Distribution Tax on Dividend from Associates (inclusive of Nil (₹ 5.27 Cr) relating to earlier years)	1.86	5.93
Total Appropriations	255.33	20.10
Net Surplus in the Statement of Profit and Loss	(17.53)	252.61
Total Reserves and Surplus	2,693.97	2,759.35

4. Long Term Borrowings

Secured

A. Redeemable Non-Convertible Debentures	2,344.67		402.00	
Less: Shown in current maturities of long term borrowings	86.21	2,258.46	95.34	306.66
B. Term Loans:				
i. From Banks	4,170.41		2,804.72	
Less: Shown in current maturities of long term borrowings	391.77	3,778.64	81.11	2,723.61
ii. From Others	1,111.37		469.23	
Less: Shown in current maturities of long term borrowings	64.64	1,046.73	4.24	464.99
C. Deferred Payment Liabilities	0.03		0.86	
Less: Shown in current maturities of long term borrowings	0.03	-	0.86	-
D. Lease Obligations towards Equipment Finance	-		0.23	
Less: Shown in current maturities of long term borrowings	-	-	0.20	0.03
(A)		7,083.83		3,495.29
Unsecured				
E. Fixed Deposits	-		7.44	
Less: Shown in current maturities of long term borrowings	-	-	1.23	6.21
F. Deferred payment liabilities	53.32		57.91	
Less: Shown in current maturities of long term borrowings	32.19	21.13	8.63	49.28
(B)		21.13		55.49
Total long term borrowings (A+B)		7,104.96		3,550.78

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

- 1) Debentures referred to in A above to the extent of:
 - i) 10.50%, Series II P ₹1,000 Cr (Nil) are secured by pledge of investments & redeemable after three years in February 2018 with a put/ call option in March 2016 for full amount.
 - ii) 10.75%, Series 1A ₹100 Cr (₹100 Cr.) are secured by a first pari-passu charge on land, building, assets, plant & machineries of Dalmiapuram unit and plot at Gujarat & redeemable in three yearly instalments in the ratio of 33:33:34 commencing from January 2018. For ₹18.75 Cr (₹75 Cr), interest rate swap has been taken @9.20% payable on USD 3,033,490 (USD 12,133,959).
 - iii) 11.00%, Series 1B ₹100 Cr (₹ 100 Cr.) are secured by a first pari-passu charge on land, building, assets, plant & machineries of Dalmiapuram unit and plot at Gujarat & redeemable in three yearly instalments in the ratio of 33:33:34 commencing from January 2018 with a put/ call option at end of 5 years at par in January 2018 for full amount.
 - iv) 10.75%, Series IIIA, B,C and IVP,Q,R ₹210 Cr (Nil) are secured by a first pari-passu charge on movable and immovable fixed assets of Dalmiapuram unit and movable and immovable fixed assets (excluding plant and machinery charged on exclusive basis to specific lenders) of Cuddapah and Ariyalur unit & redeemable in three yearly instalments commencing from Aug 2017.
 - v) 10.35%, Series XIII ₹ 66.67 Cr (₹100 Cr) are secured by a first pari-passu charge on the Immovable properties of Cement unit at Dalmiapuram & redeemable in two yearly equal instalments in May 2015 and May 2016.
 - vi) 8.87%, Series XI ₹20 Cr (₹35 Cr) are secured by a first pari-passu charge on all the movable and immovable properties of Cement unit at Dalmiapuram (except inventories and trade receivables) & redeemable in May 2015.
 - vii) 9.00%, Series XI A Nil (₹35 Cr) are secured by a first pari-passu charge on all the movable and immovable properties of Cement Unit at Dalmiapuram (except inventories and trade receivables).
 - viii) 9.00%, Series XB Nil (₹16 Cr) are secured by a first pari-passu charge on whole of the movable and immovable properties (except trade receivables) of Cement unit at Dalmiapuram.
 - ix) 8.90%, Series XA Nil (₹ 16 Cr.) are secured by a first pari-passu charge on whole of the movable and immovable properties (except trade receivables) of Cement unit at Dalmiapuram.
 - x) 12.87% ₹ 200 Cr (Nil) are secured by pledge of shares & redeemable in 5 annual installments commencing from October 2015.
 - xi) 9.90% ₹ 600 Cr (Nil) are secured by first pari passu charge over all the movable and immovable fixed assets (present & future) of cement division of OCL India Limited repayable in 3 equal yearly installments commencing from March 2020.
 - xii) 10.80% ₹ 48 Cr (Nil) is secured by first pari passu charge over fixed assets (present & future) of cement division of OCL India Limited repayable in 2 equal yearly installments till Feb 2017.
- 2) Term Loans from Banks referred to in B (i) above to the extent of :
 - i) ₹95 Cr (₹100 Cr) are secured by a first pari-passu charge on movable and immovable fixed assets of Dalmiapuram Unit at base rate plus 1.05% (present 11.20%). It is repayable within 5 unequal annual installment in the range of ₹ 5.00 Cr to ₹ 30.00 Cr each from Mar, 2016.
 - ii) ₹200 Cr (₹200 Cr) are secured by a first pari-passu charge on movable and immovable fixed assets of Dalmiapuram Unit at base rate plus 1.05% (present 11.20%). It is repayable within 24 equal quarterly installments commencing from December 2016.
 - iii) ₹32.45 Cr (₹43.48 Cr) carrying interest at Libor plus 2.146% (presently 2.4795%) are secured by way of exclusive charge on Vertical roller mills & other machineries and equipments acquired through this loan for projects at Cuddapah & Ariyalur. The Loan has been availed in foreign currency repayable in half yearly installments of USD 0.10 Cr. each till July 2017.
 - iv) ₹ 206.50 Cr (₹824.18 Cr) are secured by exclusive first charge on land and building and hypothecation of all the fixed assets of Cement units at Cuddapah and Ariyalur excluding assets charged to working capital lenders and Vertical roller mills & other machineries and equipments for projects at Cuddapah & Ariyalur acquired under foreign currency loan at base rate plus 1.00% (present 11.20%). It is prepaid in April, 2015.
 - v) ₹ 779.79 Cr (Nil) are secured by exclusive first charge on land and building and hypothecation of all the fixed assets of Cement units at Cuddapah and Ariyalur excluding assets charged to working capital lenders and Vertical roller mills & other machineries and equipments for projects at Cuddapah & Ariyalur acquired under foreign currency loan at base rate plus 0.75% (present 10.75%). It is repayable in unequal quarterly installment in the range of ₹ 1.95 Cr to ₹ 27.29 Cr each till Mar 2030.
 - vi) ₹50 Cr (₹40 Cr) are secured by a first pari-passu charge on movable and immovable fixed assets of Ariyalur and Cuddapah Unit at base rate plus 1.05% (present 11.20%). It is repayable within 24 equal quarterly installments commencing from December 2016.
 - vii) ₹100 Cr (Nil) are secured by a first pari-passu charge on movable and immovable fixed assets (excluding plant and machinery charged on exclusive basis to specific lenders) of Cuddapah and Ariyalur unit at base rate plus 1.05%, presently 11.20% & redeemable in twenty quarterly instalments commencing from Sep 2017.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

- viii) ₹ 110 Cr (Nil) are secured by a first pari-passu charge on movable and immovable fixed assets of Cuddapah and Ariyalur Unit at base rate plus 0.18% (present 11.18%). It is repayable within 36 unequal quarterly installments commencing from May 2018.
- ix) ₹ 871.04 Cr (₹543.08 Cr) are secured by a first charge by way of mortgage over all the immovable properties, assets and movable fixed assets of Belgaum Project and second charge on entire fixed assets of the company at base rate plus 1.50% (present 11.50%). It is repayable within 40 unequal quarterly installments in the range of ₹2.36 Cr to 23.63 Cr commencing from 18 months after Commercial operation date or 1st Jan,2017 whichever is earlier.
- x) ₹ 59.88 Cr (₹61.08 Cr) carrying interest at Libor plus 2.05% (presently 2.43%) are secured by way of exclusive charge on Roller press acquired through this loan for projects at Belgaum. The Loan has been availed in foreign currency repayable in 16 half yearly installments of USD 0.06 Cr. each from Oct 14.
- xi) ₹ 27.01 Cr (₹35.83 Cr) are secured by mortgage and first charge on all the movable and immovable properties (present and future) and a second charge on entire current assets of Adhunik Cement Limited at base rate plus TP plus 0.45% presently 11.30%. It is repayable in unequal quarterly installments in the range of ₹2.87 Cr to 3.28 Cr till March 2023.
- xii) ₹ 149.25 Cr (₹150.00 Cr) are secured by mortgage and first charge on all the movable and immovable properties (present and future) and a second charge on the entire current assets of Adhunik Cement Limited at base rate plus TP plus 0.75% presently 11.30%. It is repayable in 23 unequal quarterly installments in the range of ₹0.75 Cr to 16.50 Cr commencing till December,2020.
- xiii) ₹ 350 Cr (₹350 Cr) are secured by mortgage and first charge on all the movable and immovable properties (present and future) and a second charge on the entire current assets of Adhunik Cement Limited at base rate plus 1.50% presently 11.20%. It is repayable within 32 unequal quarterly installments in the range of ₹2.09 Cr to 13.28 Cr commencing from June, 2015 to March,2023.
- xiv) ₹ 568.68 Cr (₹457.07 Cr) including Funded interest term loan of ₹ 41.02 Cr (₹43.66 Cr) are secured by the mortgage and first charge on all the movable and immovable properties (both tangible and intangible) of Calcom Cement India Limited ("CCIL"), both present and future and a second charge on the entire current assets of CCIL. These loans are also secured by the pledge of 43,848,910 equity shares of CCIL held by erstwhile promoters, their relatives and two subsidiaries of CCIL. These loans are additionally secured by the corporate guarantee of two subsidiary companies of CCIL, personal guarantee of one director and two former directors of CCIL. The loan of ₹ 145.00 Cr (₹23.48 Cr) is also secured by corporate guarantee issued by Dalmia Cement (Bharat) Limited, holding company of CCIL. The Loan is payable in unequal quarterly instalments till Sep 2021 and carry interest in the range of 4% to 12.75%.
- xv) ₹ 239.47 Cr (Nil) are secured by first pari passu charge on all movable and immovable assets (present and future) of Bokaro plant at base rate plus 0.45% presently 11.20% repayable in 57 unequal installments of ₹1.20 Cr to ₹6 Cr each commencing from Feb 2016.
- xvi) ₹ 82.65 Cr (Nil) is secured by first pari passu charge by way of mortgage and hypothecation over all immovable properties and movable fixed assets (other than vehicle) of cement division of OCL India Ltd and further secured by second pari passu charge on all current assets of OCL India Ltd at base rate plus 1.75% presently 11.75% p.a. repayable in 14 equal quarterly installments till Sep 18.
- xvii) ₹ 50.00 Cr (Nil) is secured by first pari passu charge by way of mortgage and hypothecation over all immovable properties and movable fixed assets (other than vehicle) of cement division of OCL India Ltd and further secured by second pari passu charge on all current assets of OCL India Ltd at base rate plus 1.75% presently 11.75% p.a.repayable in 31 quarterly installments from June 15.
- xviii) ₹ 16.27 Cr (Nil) is secured by the guarantee given by OCL India Ltd to be repaid by September, 2015.
- xix) ₹ 5.53 Cr (Nil) is secured by the guarantee given by OCL India Ltd @ 5.46% repayable in quarterly instalments till September, 2016.
- xx) ₹ 5.31 Cr (Nil) is secured by first pari passu charge on fixed assets of cement division of OCL India Ltd and second charge on current assets of cement division of OCL India Ltd at base rate plus 1.30% presently 11.30% repayable in quarterly installments of ₹0.31 Cr to ₹0.63 Cr each till June 18.
- xxi) ₹ 0.43 Cr (Nil) is secured by first and exclusive charge on the vehicle purchased out of the said loan @10% p.a. payable in monthly instalment till Jan 20.
- xxii) ₹ 153.73 Cr (Nil) is secured by first pari passu charge by way of mortgage and hypothecation over all immovable properties and movable fixed assets (other than vehicle) of cement division of OCL India Ltd and further secured by second pari passu charge on all current assets of OCL India Ltd at base rate plus 0.75% presently 10.75% repayable in 40 quarterly installments from Mar 2019.
- xxiii) ₹ 17.42 Cr (Nil) is secured by first pari passu charge by way of mortgage and hypothecation over all immovable properties and movable fixed assets (other than vehicle) of cement division of OCL India Ltd and further secured by second pari passu charge on all current assets of OCL India Ltd @ 4.14% p.a.repayable in 7 quarterly installments till Dec 2016.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

- 3) Term Loans from others referred to in B (ii) above to the extent of:
- i) ₹ 312 Cr (₹ 312 Cr) carrying interest @ 0.10% p.a. are secured by a second pari-passu charge on the movable and immovable properties of Cement unit at Dalmiapuram. Repayment is due from financial year 2017-18 but repayment schedule is yet to be finalised.
 - ii) ₹141.93 Cr (₹138.43 Cr) is secured by the mortgage and first charge on all the movable and immovable properties (both tangible and intangible) of Calcom Cement India Limited, both present and future and a second charge on the entire current assets of Calcom Cement India Limited. These loans are also secured by the pledge of 43,848,910 equity shares of Calcom Cement India Limited held by erstwhile promoters, their relatives and two subsidiaries of Calcom Cement India Limited. The loan is repayable in unequal quarterly instalments till September, 2021 and carry interest @ 3 month Libor plus 1.25% to 2.50% (present 1.82% to 3.07%). The loan has been availed in foreign currency.
 - iii) ₹17.73 Cr (₹18.80 Cr) are secured by a first charge of all the movable and immovable properties (present and future) of Calcom cement India Limited. It is repayable within unequal quarterly installments.
 - iv) ₹ 176.57 Cr (Nil) is secured by first pari passu charge by way of mortgage and hypothecation over all immovable properties and movable fixed assets (other than vehicle) of cement division of OCL India Ltd and further secured by second pari passu charge on all current assets of OCL India Ltd repayable in 14 half yearly installments from June 16.
 - v) ₹ 63.14 Cr (Nil) is secured by first ranking mortgage and hypothecation on all movable and immovable assets (present and future) excluding current assets of cement division of OCL India Ltd at 9.54% p.a. repayable in 4 half yearly equal installments till October 16.
 - vi) ₹ 400 Cr.(Nil) is secured by pledge of shares carrying interest @ 12.75% p.a. & repayable in 5 annual installments commencing from October 2015.
- 4) Deferred Payment Liabilities referred to in C above are secured by hypothecation of vehicles purchased against it and repayable in equated monthly instalments by March, 2016 and carry interest in the range of 8.62% to 12.90%.
- 5) Finance Lease Obligation referred to in D above is secured by hypothecation of the equipment and repayable in equated monthly instalments over a period of 35 to 36 months from date of finance of each equipment.
- 6) Fixed deposits referred to in E above have been repaid in full in current year having interest ranging between 9.5% to 10%. It includes from Directors Nil (₹ 0.23 Cr).
- 7) Interest free, ₹ 53.32 Cr (₹ 57.91 Cr) deferred payment liabilities referred to in F above are repayable after 10 years from date of deferral and is payable in monthly instalments of ₹ 0.05 Cr to ₹ 9.06 Cr till FY 2016-17.

The period and amount of default by its subsidiaries, as on the reporting date in repayment of loans and interest are as follows:

Description	Type	₹ Cr	Period of default	Subsidiary
Installment of foreign currency loan	Installment	1.06	Less than 365 days	Calcom Cement India Ltd
Interest on Foreign currency Loan	interest	4.02	Less than 365 days	Calcom Cement India Ltd
Interest on Foreign currency Loan	interest	0.16	More than 365 days	Calcom Cement India Ltd

As at March 31, 2015
(₹ Crore)

As at March 31, 2014
(₹ Crore)

5. Deferred Tax Liabilities (Net)

Deferred Tax assets/ liabilities are attributable to the following items :

Liabilities

Depreciation	463.13	137.79
	463.13	137.79

Assets

Provision for doubtful debts and advances	14.43	1.19
Expenses allowable for tax purpose when paid	9.62	4.01
Unabsorbed depreciation	45.80	-
Others	22.37	0.01
	92.22	5.21

Net

	370.91	132.58
--	---------------	---------------

The Group in respect of its two subsidiaries Calcom Cement India Limited and Adhunik Cement Limited has deferred tax assets (primarily representing unabsorbed depreciation and losses under income tax Act) but in the absence of virtual certainty that sufficient future taxable income would be available against which such deferred tax assets can be realised, the Group has not recognised deferred tax assets in respect of these subsidiaries.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
6. Other Long Term Liabilities		
Security deposit received	259.28	65.73
Retention Money Payable	5.41	3.63
Trade Payables	31.51	-
Other Liabilities	1.73	1.40
	297.93	70.76
7. Long Term Provisions		
Provision for Mines reclamation liability	9.76	9.23
Provision for leave encashment	10.22	4.19
Provision for employee benefits	15.79	12.30
	35.77	25.72
8. Short Term borrowings		
Secured		
A. Rupee loan from Banks	279.96	374.28
B. Foreign currency loan	209.73	140.59
C. Short term Loan	50.00	-
(A)	539.69	514.87
Unsecured		
D. Fixed Deposits	-	0.70
E. From Others	7.41	7.41
F. Commercial Paper	135.00	-
(B)	142.41	8.11
Total short term borrowings (A+B)	682.10	522.98

A) Rupee loans from Banks referred to in A above to the extent of:

- (i) ₹279.96 Cr (₹259.32 Cr) are secured by hypothecation of inventories and other assets in favor of participating working capital consortiums bankers ranking pari passu on inter se basis repayable in next one year and carry interest rate in the range of 10.40% p.a. to 12.75% p.a. ₹14.64 Cr (₹16.43 Cr) is also secured by second charge on fixed assets of Calcom Cement India Limited. ₹5.05 Cr (Nil) is further secured by second charge on entire fixed assets of Adhunik Cement Limited. ₹109.20 Cr (Nil) is further secured by second charge on fixed assets of cement division of OCL India Limited.
- (ii) Nil (₹114.96 Cr) were secured by way of pledge of Mutual Fund Units.

B) Foreign Currency Loans from Banks referred to in B above to the extent of:

- (i) ₹209.73 Cr (₹119.92 Cr) are secured by Letter of Undertaking issued by consortium bankers on the security of hypothecation of inventories and other assets in their favor ranking pari passu on inter se basis repayable in less than one year and carry interest rate at LIBOR Plus 0.27% to 0.38% (presently 0.5406% p.a. to 0.6400% p.a.). ₹22.70 Cr (Nil) is further secured by second charge on fixed assets of cement division of OCL India Limited.
- (ii) Nil (₹20.67 Cr) were secured by way of pledge of Mutual Fund Units.

C) Short term loan referred to in C above to the extent of ₹ 50 Cr (Nil) is secured by subservient hypothecation charge on all moveable fixed asset, present and future, all intangible assets both present and future, including but not limited to goodwill, trademarks and patents and undertakings and all current asset of the company. This facility is additionally secured by further pledge of 30% shares in the company held by Dalmia Group, negative lien on the balance shareholding of the Dalmia Group and corporate guarantee of Dalmia Cement (Bharat) Limited

D) Fixed deposits referred to in D above have been repaid in full during the year having interest @ 9.25%.

E) Loan from others referred to in E above are payable within next 6 months to 1 year and carry interest @ 12% to 18%

F) Commercial papers referred to in F above are payable in next three months and carry interest rate in the range of 9.25% to 10% per annum.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
9. Trade payables		
Micro & Small Enterprises	-	0.06
Others	766.78	402.51
	766.78	402.57
10. Other current liabilities		
Current maturities of long term borrowings	574.84	191.41
Current maturities of finance lease obligations	-	0.20
Interest accrued but not due on borrowings	47.78	12.68
Interest accrued and due on borrowings	7.32	2.12
Advances from customers	57.63	18.76
Security deposit received	31.44	5.45
Capital Creditors	78.92	56.44
Directors' Commission payable	1.17	-
Unclaimed Fixed Deposits and interest thereon*	-	0.09
Unclaimed Dividend*	1.07	-
Purchase Consideration payable	98.70	30.00
Liability towards EPCG obligations (Refer Note 47)	54.22	-
Other liabilities		
- Statutory dues	119.07	62.92
- Others	18.27	6.94
	1,090.43	387.01
* Not due for deposit in Investor Education & Protection Fund		
11. Short term provisions		
Provision for tax (net of advance tax ₹ 5.98 Cr (₹6.03 Cr))	4.28	6.16
Provision for employee benefits	4.60	1.86
Proposed Dividend on equity shares	14.88	-
Dividend Distribution Tax	4.63	-
Other Provisions	9.64	-
	38.03	8.02

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

12. Fixed Assets

	Tangible Assets									Leased Assets	Intangible Assets		
	Land (Free hold)	Land (Lease hold)	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Mines Development	Office equipment	Live Stock	Plant and equipment	Computer Software	Branding	Total
Cost													
as at 1st April,2013	485.07	24.68	364.27	3,618.82	5.59	15.69	65.62	26.40	-	-	8.48	14.66	4,629.28
Additions on amalgamation	92.23	-	-	-	-	-	-	-	-	-	-	-	92.23
Additions during the year	25.27	-	5.58	102.99	3.06	1.85	0.28	3.69	-	-	4.04	-	146.76
Disposals during the year	0.73	-	-	2.19	0.05	0.81	-	0.11	-	-	0.63	-	4.52
Other adjustment - Exchange difference	-	-	-	8.61	-	-	-	-	-	-	-	-	8.61
as at 31st March,2014	601.84	24.68	369.85	3,728.23	8.60	16.73	65.90	29.98	-	-	11.89	14.66	4,872.36
Additions on amalgamation	7.32	37.19	184.17	2,689.44	11.74	54.30	-	27.04	0.10	5.74	9.60	-	3,026.64
Additions during the year	17.47	0.02	21.10	97.71	0.13	1.42	-	4.86	-	-	1.00	-	143.71
Disposals during the year	0.11	-	0.55	2.53	0.40	1.69	-	2.75	-	-	0.72	-	8.75
Other adjustment - Exchange difference	-	-	-	5.08	-	-	-	-	-	-	-	-	5.08
as at 31st March,2015	626.52	61.89	574.57	6,517.93	20.07	70.76	65.90	59.13	0.10	5.74	21.77	14.66	8,039.04
Depreciation/ Amortization (Refer Note 55)													
as at 1st April,2013	-	4.82	31.68	590.22	2.18	5.78	6.00	10.46	-	-	6.16	11.50	668.80
Additions on acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year @	-	1.09	10.89	193.60	0.43	1.20	7.37	3.64	-	-	1.87	3.16	223.25
Disposals	-	-	0.08	0.36	0.05	0.34	-	0.12	-	-	0.12	-	1.07
as at 31st March,2014	-	5.91	42.49	783.46	2.56	6.64	13.37	13.98	-	-	7.91	14.66	890.98
Additions on acquisition	-	2.79	67.00	1,175.41	5.29	41.97	-	19.39	-	5.45	5.70	-	1,323.00
Charge for the year @	3.23	1.21	22.01	222.00	0.91	2.93	6.43	9.97	-	-	2.04	-	270.73
Disposals	-	-	0.31	0.46	0.11	1.16	-	2.07	-	-	0.72	-	4.83
as at 31st March,2015	3.23	9.91	131.19	2,180.41	8.65	50.38	19.80	41.27	-	5.45	14.93	14.66	2,479.88
Net Block													
as at 31st March,2014	601.84	18.77	327.36	2,944.77	6.04	10.09	52.53	16.00	-	-	3.98	-	3,981.38
as at 31st March,2015	623.29	51.98	443.38	4,337.52	11.42	20.38	46.10	17.86	0.10	0.29	6.84	-	5,559.16

Notes:

@ Includes depreciation charged to other heads ₹12.11 Cr (₹ 1.59 Cr) and ₹ 3.19 Cr (₹ 1.90 Cr) adjusted against Deferred Capital Investment Subsidy.
 Registration of leasehold land at Umrangshu amounting to ₹3.79 Cr (₹ 3.79 Cr) and freehold land of ₹ 35.29 Cr (₹37.22 Cr) in the Group's name is pending.
 Addition to Fixed Assets include borrowing cost of ₹ 0.37 Cr capitalised during the year.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
13. Non-current Investments		
Trade Investments		
Equity Shares		
In Associates		
Nil (27,312,107) Shares of ₹2/- each fully paid up in OCL India Limited (Quoted)	-	576.15
130,000 (130,000) Shares of ₹10/- each fully paid up in DCB Power Ventures Limited (Unquoted)	192.45	186.24
In Joint Venture		
38,35,000 (Nil) Shares of ₹10/- each fully paid up in Radhikapur (West) Coal Mining Pvt Limited (unquoted)	3.83	-
Others (Unquoted)		
36,000 (36,000) Equity Shares of ₹10/- each fully paid up in G.S.Homes & Hotels Private Limited	0.50	0.50
73,450 (Nil) Equity Shares of ₹10/- each fully paid up in Orissa Industries Limited	0.02	-
5,900 (5,900) zero coupon optionally redeemable convertible debentures of ₹ 1,00,000/- each in Saroj Sunrise Pvt. Ltd.	59.00	59.00
Total	255.80	821.89
Quoted (including Mutual Funds):		
Book Value	-	576.15
Market Value	-	502.00
Book Value of Unquoted Investments	255.80	245.74
Aggregate Provision for diminution in value of Investment	-	-
14. Long term Loans and Advances (Considered good and unsecured unless otherwise stated)		
Capital advances	110.18	113.74
Security deposit made	39.75	32.18
Loans and advances to:		
Employees@	0.37	-
Advances recoverable in cash or in kind or for value to be received		
Considered good	19.28	0.33
Considered doubtful	66.02	5.01
Less: Provision for Doubtful advances	66.02	5.01
Incentives receivable	18.21	96.12
Subsidy receivable	19.46	5.54
Less: Provision for Doubtful recovery	0.27	5.54
MAT credit entitlement	63.85	3.29
Advance Income Tax (Net of Provision for Tax ₹30.16 Cr (₹ 15.36 Cr))	64.67	21.19
Deposit and Balances with Government Departments and Other Authorities	31.84	80.07
	367.34	346.92
@includes		
Due form officers of the Company	0.37	-
15. Other Non Current Assets		
Deposits with original maturity of more than 12 months	14.49	4.25
Total	14.49	4.25

* includes ₹4.17 Cr (₹4.25 Cr) pledged with various Government authorities/ institutions.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
16. Current Investments		
Units of Mutual Funds (Quoted)		
Debt based schemes	901.45	382.53
Commercial Paper		
Axis Finance Limited	399.05	-
Total	1,300.50	382.53
Quoted		
Book Value	901.45	382.53
Market Value	903.41	399.14
Aggregate Provision for diminution in value of Investment	-	-
Book Value of unquoted investments	399.05	-
17. Inventories		
Raw Materials		
On hand	122.55	18.31
In transit	4.57	0.15
Work in Progress	84.08	36.65
Finished Goods		
On hand	155.00	36.08
In transit	9.53	1.27
Stores, Spares etc		
On hand	292.15	219.29
In transit	61.44	3.79
	729.32	315.54
18. Trade Receivables		
a) Receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good		
Secured	8.06	1.13
Unsecured	17.67	4.14
Considered doubtful	60.49	41.19
Less: Provision for Bad and Doubtful receivables	60.49	41.19
	(A) 25.73	5.27
b) Other receivables		
Considered good		
Secured	183.69	78.37
Unsecured	373.31	236.06
Considered doubtful	0.92	0.60
Less: Provision for Bad and Doubtful receivables	0.92	0.60
	(B) 557.00	314.43
Trade Receivables	(A+B) 582.73	319.70
Less: Provision for Rebate / Discount	74.81	71.81
	507.92	247.89
19. Cash and cash equivalents		
Cash on hand	4.33	0.12
Cheques in Hand	18.57	0.13
Balances with Scheduled Banks :		
- On current accounts	309.06	53.61
- On deposit accounts	157.43	23.46
- Unpaid dividend accounts	1.07	-
Other bank balances:		
- Margin money (pledged with bank / Govt authorities)	21.11	2.14
	511.57	79.46

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	As at March 31, 2015 (₹ Crore)	As at March 31, 2014 (₹ Crore)
20. Short term Loans and Advances		
Secured		
Loan to Employees@	0.13	-
Unsecured Considered good		
Loan to		
- Employees@	2.92	0.83
- Related parties (Refer Note 43)	-	0.82
- Others	23.35	-
Advances recoverable in cash or in kind or for value to be received		
Others	79.12	75.65
Considered doubtful	4.87	63.83
Less: Provision for Doubtful advances	4.87	63.83
Prepaid Expenses	14.30	4.22
Subsidy/ Incentive receivable	348.85	177.62
Interest receivable	7.57	1.54
Deposit and Balances with Government Departments and Other Authorities	206.50	62.00
	682.74	322.68
@includes		
Due from officers of the Company	3.05	0.83
21. Other Current Assets		
Material held for disposal	0.21	0.17
Unamortised premium on forward contracts	0.54	1.64
	0.75	1.81
	For the year ended March 31, 2015 (₹ Crore)	For the year ended March 31, 2014 (₹ Crore)
22. Revenue from operations		
Cement sales	3,659.49	3,092.52
Refractory goods sales	49.42	-
Power Sales	77.34	82.45
Other Sales	22.54	10.85
Other operating revenue	53.64	50.46
Sales Tax incentive/ VAT remission	49.93	42.65
Excise Refund	44.43	44.89
	3,956.79	3,323.82
23. Other Income		
Dividend income		
- from Current Investments	1.40	1.33
Interest Income	11.60	2.78
Profit on sale of Investments	53.74	27.82
Less: Loss on Sale of Investment	-	0.70
Exchange Fluctuation	0.10	-
Miscellaneous Receipts	4.02	2.46
	70.86	33.69
24. Cost of Raw materials consumed		
Class of product		
Limestone	192.90	138.69
Clinker	125.69	56.44
Gypsum	24.37	21.63
Fly ash	76.96	84.60
Slag	25.49	-
Others	33.66	31.41
	479.07	332.77

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

	For the year ended March 31, 2015 (₹ Crore)	For the year ended March 31, 2014 (₹ Crore)
25. Change in inventories of finished goods, work in progress and stock in trade		
Finished Goods		
- Closing stock	164.53	37.36
- Opening stock	37.36	57.13
Add: Additions on acquisition	127.11	-
	164.47	57.13
	(0.06)	19.77
Work-in-Process		
- Closing stock	84.08	36.65
- Opening stock	36.65	29.55
Add: Additions on acquisition	41.35	-
	78.00	29.55
	(6.08)	(7.10)
(Increase) / Decrease	(6.14)	12.67
26. Employee benefits expense		
Salaries, Wages and Bonus	176.77	136.34
Contribution to Provident Fund and Other Funds	10.64	6.75
Workmen and Staff Welfare expenses	16.16	15.72
	203.57	158.81
27. Other Expenses		
Power and Fuel (net of subsidy /incentives of ₹ 0.32 Cr (₹ 40.87 Cr))	748.67	801.46
Packing Materials	125.67	133.67
Consumption of Stores and Spares Parts	39.95	19.21
Freight Charges (net of subsidy of ₹ 47.67 Cr (₹ 35.08 Cr))	625.17	530.39
Repairs and Maintenance :		
- Plant & Machinery	117.62	89.04
- Buildings	6.87	3.78
Rent	9.80	7.22
Rates and Taxes	19.09	14.45
Insurance (net of subsidy of ₹ 0.82 Cr (₹ 0.87 Cr))	4.24	3.06
Depot Expenses	72.00	74.71
Management Service Charges	91.02	74.45
Professional Charges	36.46	29.86
Advertisement and Publicity	61.29	50.48
Rebate and Discounts	35.74	21.19
Excise duty variation on opening/closing inventories	(0.93)	(0.25)
Foreign exchange fluctuation	1.02	10.44
Corporate Social responsibility expense	1.96	-
Cost for obligations	37.64	-
Miscellaneous Expenses	168.87	129.55
	2,202.15	1,992.71
28. Finance Costs		
Interest		
- On term loans and debentures	344.16	252.80
- On short term borrowings (net of subsidy of ₹ 2.88 Cr (₹ 1.17 Cr))	25.00	11.68
- Others	27.66	18.14
Other borrowing cost	32.06	8.57
Exchange differences to the extent considered as an adjustment to borrowing cost	6.40	23.59
	435.28	314.78
29. Earning Per Share		
Net profit/(loss) for calculation of basic and diluted EPS (₹ in Cr)	(43.06)	(61.92)
Total number of equity shares outstanding at the end of the year	252,919,005	252,919,005
Weighted average number of equity shares in calculating basic and diluted EPS	252,919,005	252,919,005
Basic and Diluted EPS (₹)	(1.70)	(2.45)

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

30. The Group comprises of the following entities:

The subsidiaries, associates and joint ventures considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Percentage of Ownership held as at March 31, 2015	Percentage of Ownership held as at March 31, 2014
Subsidiaries			
Adhunik Cement Limited	India	100%	100%
Arjuna Brokers & Minerals Limited	India	100%	100%
Calcom Cement India Limited	India	76.00%	75.63%
D.I. Properties Limited	India	100%	100%
Dalmia Bharat Cement Holding Limited	India	100%	100%
Dalmia Minerals & Properties Limited	India	100%	100%
Geetee Estates Limited	India	100%	100%
Golden Hills Resorts Private Limited	India	100%	100%
Hemshila Properties Limited	India	100%	100%
Ishita Properties Limited	India	100%	100%
Jayevijay Agro Farms Private Limited (w.e.f 5th June 2014)	India	100%	-
Rajputana Properties Private Limited	India	100%	100%
OCL India Limited (w.e.f 25th Feb 2015)	India	74.66%	-
Shri Radha Krishna Brokers & Holdings Limited	India	100%	100%
Shri Rangam Properties Limited	India	100%	100%
Shri Rangam Securitires & Holdings Limited	India	-	100%
Sri Dhandauthapani Mines & Minerals Limited	India	100%	100%
Sri Madhusudana Mines & Properties Limited	India	100%	100%
Sri Shanmugha Mines & Minerals Limited	India	100%	100%
Sri Subramanya Mines & Minerals Limited	India	100%	100%
Sri Swaminatha Mines & Minerals Limited	India	100%	100%
Sri Trivikrama Mines & Properties Limited	India	100%	100%
Step Down subsidiaries			
Adhunik MSP Cement (Assam) Limited (subsidiary of Adhunik Cement Limited)	India	100%	100%
Cosmos Cements Limited (subsidiary of Dalmia Minerals & Properties Limited)	India	100%	100%
Dalmia Cement East Limited [(formerly known as Bokaro Jaypee Cement Limited) (subsidiary of Shri Rangam Securities & Holdings Limited) - (w.e.f. 16th Nov, 14)]	India	100%	-
OCL Global Limited [(subsidiary of OCL India Limited (w.e.f 25th Feb 2015)]	Mauritius	100%	-
OCL China Limited [(subsidiary of OCL Global Limited (w.e.f 25th Feb 2015)]	China	90%	-
Odisha Cement Limited [(subsidiary of OCL India Limited (w.e.f 25th Feb 2015)]	India	100%	-
RCL Cements Limited (subsidiary of Vinay Cements Limited)	India	100%	100%
SCL Cements Limited (subsidiary of Vinay Cements Limited)	India	100%	100%
Shri Rangam Securitires & Holdings Limited (subsidiary of Dalmia Bharat Cement Holding Limited)	India	100%	-
Sutnga Mines Private Limited (subsidiary of Dalmia Minerals & Properties Limited)	India	100%	100%
Vinay Cements Limited (subsidiary of Calcom Cement India Limited)	India	97.21%	97.21%
Associates			
OCL India Limited (up to 24th Feb, 15)	India	-	48.00%
DCB Power Venture Limited	India	26.00%	26.00%
Joint Venture			
Khappa Coal Company Private Limited	India	36.73%	36.73%
Radhikapur (West) coal mining Private Limited (JV of OCL India Limited) (w.e.f 25th Feb 2015)	India	7.029%	-

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

31. Details relating to Net Assets and Profit or Loss in respect of Subsidiaries, Associates and Joint Ventures:

Name of the entity Subsidiaries	Net Assets		Share in profit or loss	
	Amount (₹ In. Cr)	As % of consolidated net assets	Amount (₹ In. Cr)	As % of consolidated profit or loss
A. Parent				
Dalmia Cement (Bharat) Limited	2,958.51	100.37%	68.12	-158.20%
B. Subsidiaries				
Indian Subsidiaries				
Adhunik Cement Limited	59.30	2.01%	(69.34)	161.03%
Adhunik MSP Cement (Assam) Limited	2.00	0.07%	0.00	0.00%
Arjuna Brokers & Minerals Limited	0.06	0.00%	0.00	0.00%
Calcom Cement India Limited	147.28	5.00%	(26.09)	60.59%
Cosmos Cements Limited	13.72	0.47%	(0.03)	0.07%
D.I. Properties Limited	0.57	0.02%	(0.05)	0.12%
Dalmia Bharat Cement Holding Limited	298.15	10.12%	(34.34)	79.75%
Dalmia Cement East Limited (formerly known as Bokaro				
Jaypee Cement Limited) (w.e.f 16th Nov 2014)	210.48	7.14%	(14.11)	32.77%
Dalmia Minerals & Properties Limited	0.00	0.00%	(0.03)	0.07%
Geetee Estates Limited	0.44	0.01%	(0.01)	0.02%
Golden Hills Resorts Private Limited	1.00	0.03%	0.00	0.00%
Hemshila Properties Limited	0.68	0.02%	0.14	-0.33%
Ishita Properties Limited	(3.09)	-0.10%	0.31	-0.72%
Jayvijay Agro Farms Private Limited (w.e.f 5th June 2014)	(0.22)	-0.01%	(0.23)	0.53%
OCL India Limited (w.e.f 25th Feb 2015)	1,196.21	40.59%	13.29	-30.86%
Odhisa Cement Limited (w.e.f 25th Feb 2015)	0.04	0.00%	0.00	0.00%
Rajputana Properties Private Limited	0.01	0.00%	0.00	0.00%
RCL Cements Limited	16.73	0.57%	(0.15)	0.35%
SCL Cements Limited	(16.30)	-0.55%	(4.45)	10.33%
Shri Radha Krishna Brokers & Holdings Limited	0.08	0.00%	0.00	0.00%
Shri Rangam Properties Limited	0.92	0.03%	0.17	-0.39%
Shri Rangam Securities & Holdings Limited	907.22	30.79%	(0.83)	1.93%
Sri Dhandauthapani Mines & Minerals Limited	0.14	0.00%	0.00	0.00%
Sri Madhusudana Mines & Properties Limited	0.28	0.01%	(0.01)	0.02%
Sri Shanmugha Mines & Minerals Limited	0.05	0.00%	0.00	0.00%
Sri Subramanya Mines & Minerals Limited	0.07	0.00%	0.00	0.00%
Sri Swaminatha Mines & Minerals Limited	0.20	0.01%	(0.01)	0.02%
Sri Trivikrama Mines & Properties Limited	(0.02)	0.00%	(0.18)	0.42%
Sutnga Mines Private Limited	1.96	0.07%	0.00	0.00%
Vinay Cements Limited	(74.16)	-2.52%	(31.29)	72.67%
Foreign Subsidiaries				
OCL Global Limited (w.e.f 25th Feb 2015)	44.64	1.51%	0.77	-1.79%
OCL China Limited (w.e.f 25th Feb 2015)	60.06	2.04%	0.62	-1.44%
Less: Minority Interest in all subsidiaries	303.24	-10.29%	(11.15)	-25.89%
C. Associates				
(Investment as per equity method)				
Indian Associates				
OCL India Limited (OCL) (up to 24th Feb 2015)	NA	NA	48.53	-112.70%
DCB Power Venture Limited	NA	NA	6.21	-14.42%
D. Joint Ventures				
(As per proportionate consolidation / investment as per equity method)				
Indian Joint Ventures				
Khappa Coal Company Private Limited	1.84	0.06%	0.00	0.00%
Radhikapur (West) coal mining Private Limited (w.e.f 25th Feb 2015)	3.51	0.12%	0.00	0.00%
Less: Elimination / Adjustments	(2,582.23)	-87.61%	(11.22)	26.05%
Total	2,946.89	100%	(43.06)	100%

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

32. Contingent liabilities (Not provided for) in respect of:

Parent Company

		(₹ in Cr.)	
S. No.	Particulars	2014-15	2013-14
a)	Claims against the Company not acknowledged as debts	50.19	57.71
b)	Demand raised by following authorities in dispute:		
	Excise, Customs, Service tax, VAT and Sales Tax	156.36	245.90
	Income tax matters	3.74	182.47
c)	Guarantees/Counter Guarantees given to banks on account of guarantees issued by the banks to Bodies Corporate	-	4.00
	Total	210.29	490.08

Subsidiaries

		(₹ in Cr.)	
S. No.	Particulars	2014-15	2013-14
a)	Claims against the Company not acknowledged as debts	120.75	6.10
b)	Demand raised by following authorities in dispute:		
	Excise, Customs, Service tax, VAT and Sales Tax	66.78	7.89
	Income tax matters	9.32	7.91
c)	Other monies for which Company is contingently liable	1.19	-
	Total	198.04	21.90

Joint Venture

		(₹ in Cr.)	
S. No.	Particulars	2014-15	2013-14
a)	Bank guarantee issued to Ministry of Coal	-	1.43

Based on favourable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of favourable decisions in respect of the items listed above and hence no provision is considered necessary against the same.

33. The company has received summons from the Court of Principal Special Judge for CBI cases Hyderabad, under Section 120 (b) read with Section 420 of Indian Penal Code. The investigating agency has alleged that the Company's investment in Bharthi Cement and acquisition of Eswar Cements Private Limited were made for the benefit of an influential person in the State, prime accused in the case, as a quid pro quo for grant of prospecting license over certain limestone bearing land in the State of Andhra Pradesh. However, both the investments made by Dalmia Bharat Sugar and Industries Limited were genuine investments as permitted under that Company's Memorandum and Articles of association and duly approved by their Board of Directors. The proceedings are still at the preliminary stage and in the opinion of the management, no adverse impact is expected to devolve on the management on conclusion of such proceedings.

34. Capital and Other commitments

Parent Company

		(₹ in Cr.)	
Particulars	2014-15	2013-14	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	71.34	126.83	
Other commitments (take or pay obligation for coal and power purchase) (net of advances)	3.67	58.52	

Subsidiaries

		(₹ in Cr.)	
Particulars	2014-15	2013-14	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	68.78	110.34	
Export obligation on import of equipment and spare parts under EPCG scheme	282.74	509.61	
Commitment towards forestry department as per the Forest (Conservation) Act,1980	31.60	31.60	

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

35. Remuneration paid to auditors (included in Miscellaneous Expenses):

Parent Company	(₹ in Cr.)	
Particulars	2014-15	2013-14
Statutory auditors		
a) as an auditor		
i) Statutory audit fee	0.27	0.25
ii) Tax audit fee	0.03	0.03
iii) Limited review	0.23	0.14
b) In other capacity		
i) Company law matter	-	0.02
ii) Certification fee	0.02	0.01
c) Reimbursement of expenses	0.03	0.09
Cost Auditor		
a) Audit Fee	0.03	0.02
b) For Expenses	-	-

Subsidiaries	(₹ in Cr.)	
Particulars	2014-15	2013-14
Statutory auditors		
a) as an auditor		
i) Statutory audit fee	0.20	0.19
ii) Limited review	0.21	0.21
b) Reimbursement of expenses	0.06	0.05

36. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

37. Goodwill in the Balance Sheet as per the details given below represents goodwill arising on consolidation of subsidiaries. Such goodwill had been tested for impairment by the management and no amortisation is required for the same.

Particulars	2014-15	2013-14
Subsidiaries		
Golden Hills Resorts Private Limited	4.00	4.00
Rajputana Properties Private Limited	0.24	0.24
Ishita Properties Limited	0.47	0.47
Arjuna Brokers & Minerals Limited	0.01	0.01
Sri Shanamugha Mines & Minerals Limited	0.01	0.01
Dalmia Minerals & Properties Limited	0.10	0.10
Adhunik Cement Limited	253.42	250.21
Calcom Cement India Limited	214.03	213.90
OCL India Limited	732.19	-
Dalmia Cement East Limited	759.75	-
Total	1,964.22	468.94

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

38. Operating Lease

Assets taken on lease

The group has entered into cancellable lease agreements with an average life of between one to five years with renewal option at the mutual consent of lessor & lessee. Some of the lease agreements contain escalation clause of upto 10%. There are no restrictions placed upon the company by entering into these leases.

	(₹ in Cr.)	
Particulars	2014-15	2013-14
Lease payments for the year	48.26	40.95
Total	48.26	40.95

Assets given under finance lease

The group has given certain vehicles on finance leases.

Future Minimum Lease Payments (MLP) under finance leases together with present value of the net minimum lease payments are as follows:

	(₹ in Cr)			
	As at March 31, 2015 -MLP	As at March 31, 2015 Present Value of MLP	As at March 31, 2014 -MLP	As at March 31, 2014 Present Value of MLP
Within one year	0.80	0.77	0.80	0.77
After one year but not more than three years	-	-	-	-
More than three years	-	-	-	-
Total minimum lease payments	0.80	0.77	0.80	0.77
Less : Amounts representing finance charges	(0.03)		(0.03)	
Less : Provisions for doubtful advances	(0.77)	(0.77)	(0.70)	(0.70)
Present Value of Minimum Lease Payments	-	-	0.07	0.07

39. Particulars of forward contracts and unhedged foreign Currency Exposure as at the Balance Sheet date:

Forward contract outstanding as at Balance Sheet date:

Particulars	Currency	Amount in Foreign Currency	Amount (₹ in Cr)	Purpose
Buy	Euro	50,000 (Nil)	0.34 (Nil)	To hedge the import creditors
Total	Euro	50,000 (Nil)	0.34 (Nil)	
Buy	USD	25,420,083 (17,389,535)	159.28 (104.20)	To hedge the repayment of principal and interest on foreign currency loans.
Buy	USD	100,000 (Nil)	0.63 (Nil)	To hedge the import creditors
Total	USD	25,520,083 (17,389,535)	159.91 (104.20)	

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

Particulars of unhedged foreign currency exposure:

Particulars	Amount in Foreign Currency		Amount (₹ in Cr.)
Foreign currency loans and interest thereon	USD 81,030,235 (USD 46,841,108)	(Closing rate 1 USD = ₹ 62.66 (₹59.92))	507.74 (280.68)
Foreign currency loans and interest thereon	EUR 563,000 (USD Nil)	(Closing rate 1 EUR = ₹ 67.6307 (₹82.745))	3.81 (Nil)
Foreign currency loans and interest thereon	GBP 433,00 (GBP Nil)	(Closing rate 1 GBP = 92.5904 (₹ 99.9498))	4.01 (Nil)
Trade Payables	USD 10,297,000 (USD 278,842)	(Closing rate 1 USD = ₹ 62.66 (₹59.92))	64.52 (1.67)
Trade Payables	EUR 939,698 (USD 24,244)	(Closing rate 1 EUR = ₹ 67.6307 (₹82.745))	6.36 (0.20)
Trade Payables	JPY 667,000 (JPY Nil)	(Closing rate 1 JPY = ₹ 0.53 (₹ 0.58))	0.04 (Nil)
Trade Payables	GBP 28,500 (GBP Nil)	(Closing rate 1 GBP = 92.5904 (₹ 99.9498))	0.26 (Nil)
Trade Receivables for Export Sales	USD 1,267,757 (USD 643,589)	(Closing rate 1 USD = ₹ 62.66 (₹59.92))	7.95 (3.86)
Trade Receivables for Export Sales	EUR 4,11,000 (EUR Nil)	(Closing rate 1 EUR = ₹ 67.6307 (₹82.745))	2.78 (Nil)
Trade Receivables for Export Sales	GBP 767,000 (GBP Nil)	(Closing rate 1 GBP = 92.5904 (₹ 99.9498))	7.10 (Nil)

40. Gratuity and Other Post Employment Benefit Plans

Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy. In some of the subsidiaries, there is unfunded benefit gratuity plan.

Provident Fund

The Group contributes provident fund liability to Dalmia Cement Provident Fund Trust. As per the Guidance Note on implementing notified AS 15, Employee Benefits issued by the Ministry of Corporate Affairs (MCA), provident funds set up by the employers, which require interest shortfall to be met by the employer, needs to be treated as defined benefit plan.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the above mentioned plan.

Statement of Profit and Loss

Net employee benefit expense (recognised in Employee Benefits Expense)

Particulars	(₹ in Cr.)			
	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Current Service Cost	2.06	1.83	1.74	0.79
Interest cost on benefit obligation	1.34	1.30	0.85	0.60
Expected return on plan assets	(1.42)	(1.39)	(0.77)	0.61
Net actuarial (gain)/ Loss recognized in the year	0.27	(1.32)	0.04	(0.03)
Net Benefit Expense	2.26	0.42	1.86	0.75
Actual return on plan assets	1.34	1.26	-	-

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

Balance Sheet

(₹ in Cr.)

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Present value of defined benefit obligation as at year-end	40.24	16.57	13.80	8.67
Fair value of plan assets as at year-end	36.56	15.45	13.61	8.58
Funded status {(Surplus/(Deficit)}	(3.68)	(1.12)	(0.19)	(0.09)
Net Asset/(Liability) as at year end	(3.68)	(1.12)	(0.19)	(0.09)

Changes in the present value of the defined benefit obligation are as follows:

(₹ in Cr.)

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Opening defined benefit obligation	16.57	16.17	8.67	7.24
Add: Taken over on acquisition	21.07	-		
Contribution by plan participation / employees	-	-	3.33	1.14
Current service cost	2.06	1.83	1.74	0.79
Interest Cost	1.34	1.29	0.85	0.60
Benefits paid out of funds	(1.00)	(1.27)	(1.22)	(1.06)
Actuarial (gains)/ losses on obligation	0.20	(1.45)	0.11	(0.03)
Settlements / Transfer in	-	-	0.32	-
Closing defined benefit obligation	40.24	16.57	13.80	8.67

Changes in the fair value of plan assets are as follows:

(₹ in Cr.)

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Opening fair value of plan assets	15.45	14.75	8.58	7.12
Add: Taken over on acquisition	20.57	-		
Contribution by plan participation / employees	-	-	3.31	1.14
Actual return on plan assets	1.42	1.39	0.78	0.61
Contribution by employer	0.19	0.55	1.73	0.79
Benefits paid	(0.90)	(1.10)	(1.22)	(1.07)
Actuarial gains/ (losses) on obligation	(0.17)	(0.14)	0.07	(0.01)
Settlements / Transfer in	-	-	0.36	-
Closing fair value of plan assets	36.56	15.45	13.61	8.58

The Company expects to contribute ₹ 3.39 Cr (₹2.55 Cr) to gratuity and ₹ 1.90 (₹0.79 Cr) to PF trust in 2015-16

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Qualifying Insurance Policy	99.80%	99.60%	-	-
Bank Balance	0.20%	0.40%		
Govt. securities and financial securities as defined under PF Rules	-	-	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

The principal assumptions used in determining defined benefits for the Company are shown below:

Particulars	Gratuity (Funded)		PF Trust (Funded)	
	2014-15	2013-14	2014-15	2013-14
Discount Rate	7.75%	8.00%	7.90%	9.00%
Expected rate of return on assets	9.00%	8.85%	-	-
Mortality Table	IALM (2006-08) duly modified	IALM (1994-96) duly modified	IALM (2006-08) duly modified	IALM (1994-96) duly modified
Salary Escalation	7.00%	7.00%	-	-

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

Amounts for the current and previous years in respect of defined benefit plans are as follows:

(₹ in Cr.)

Particulars	Gratuity (Funded)					PF Trust (Funded)			
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-2012
Defined benefit obligation	40.24	16.57	14.89	11.06	9.49	13.80	8.67	7.24	7.63
Plan assets	36.56	15.45	14.75	12.22	11.43	13.61	8.58	7.12	7.59
Surplus/ (deficit)	(3.68)	(1.12)	(0.14)	1.16	1.94	(0.19)	(0.09)	(0.12)	(0.04)
Experience adjustment on plan assets (loss)/gain	(0.57)	(0.13)	(0.02)	0.02	0.81	0.07	-	-	-
Experience adjustment on plan liabilities (loss)/gain	0.21	1.19	(1.33)	0.06	0.19	(0.11)	-	-	-

No actuarial valuation for PF trust was carried out for financial year 2010-11 in absence of Guidance Note for the same.

Provident and other funds

Contribution to Defined Contribution Plans:

(₹ in Cr.)

Particulars	2014-15	2013-14
Provident Fund/Superannuation fund/ ESI/ Pension Scheme	8.20	6.52

41. During the year, the group has incurred expenditure related to acquisition/ construction of fixed assets and therefore accounted for the same under Capital work in progress. Details of the expenses capitalised and carried forward as capital work in progress are given below:

Parent Company:

(₹ in Cr.)

Particulars	2014-15	2013-14
Brought forward from last year	110.19	30.99
Expenditure incurred during the year		
Consumption of raw materials on trial production	-	-
Employee benefits expense	14.12	11.02
Other Expenses		
Trial run expenses	0.93	-
Rent	0.15	0.14
Insurance	0.57	0.64
Travelling	1.41	0.29
Professional Charges	22.52	20.94
Rates & Taxes	0.06	-
Miscellaneous Expenses	5.70	3.57
Finance Cost	80.23	42.30
Depreciation /Amortization	3.68	1.56
Total Expenditure during the year	129.37	80.46
Less : Miscellaneous Income	1.87	0.01
Less : Capitalised during the year	0.11	1.25
Carried forward as part of Capital Work in Progress	237.58	110.19
Subsidiaries		

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

Particulars	2014-15	(₹ in Cr.) 2013-14
Brought forward to current year as part of Capital Work in Progress	143.47	98.28
Expenditure incurred during the year		
Consumption of raw materials on trial production	0.50	3.14
Employee benefit expenses	3.00	2.18
Other Expenses		
Power and fuel	0.81	0.87
Consumption of stores and spares parts	-	0.43
Packing materials consumed on trial production	-	0.16
Repairs and Maintenance	2.32	0.63
Rent	0.27	0.62
Rates and taxes	0.04	0.56
Insurance	0.24	0.16
Professional expenses	11.05	3.11
Miscellaneous Expenses	3.72	12.96
Finance cost	63.70	33.62
Depreciation	0.04	-
Total expenses for the year	85.69	58.44
Less: Income		
Sales from trial production	-	3.51
Interest income	5.13	2.49
Net expense for the year	80.56	52.44
Grand Total	224.03	150.72
Less: Capitalised during the year	0.56	7.25
Carried forward as part of Capital Work in Progress	223.47	143.47

Joint Venture

Particulars	2014-15	(₹ in Cr.) 2013-14
Brought forward to current year as part of Capital Work in Progress	5.08	5.04
Additions on acquisition	0.54	-
Expenditure incurred during the year		
Employee benefit expenses		
Salaries and Wages	0.01	0.02
Other Expenses		
Travelling		
Miscellaneous Expenses	0.01	0.02
Total Expenditure during the year	0.02	0.04
Less: Interest Income	0.01	
Carried forward as part of Capital Work in Progress	5.63	5.08

42. Segmental Information

The company is operating in single reportable segment 'Cement' which is the primary business segment. Secondary segment by geographical location is as under:

	2014-15	(₹ in Cr.) 2013-14
Domestic turnover	3,783.54	3,156.74
Export turnover (Including sale to SEZ)	25.25	29.08
	3,808.79	3,185.82

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

43. Related Party Disclosure as required by Accounting Standard-18.

a) List of related parties along with nature and volume of transactions is given below:

Related parties where control exists:

i. Holding Company

Dalmia Bharat Limited

ii. Fellow Subsidiaries

Kanika Investment Limited, Dalmia Power Limited

Related parties with whom transactions have taken place during the year:

i. Associates of the Group

OCL India Limited (up to 24th February,2015) and DCB Power Ventures Limited

ii. Joint Ventures

Khappa Coal Company Private Limited, Radhikapur (West) Coal Mining Private Limited (w.e.f 25th Feb 2015)

iii. Key Management Personnel/Director of the Group

Shri Jai Hari Dalmia-Director, Shri Yadu Hari Dalmia-Director, Shri Gautam Dalmia - Managing Director, Shri Puneet Yadu Dalmia - Managing Director and Shri Mahendra Singhi, Whole Time Director and CEO

iv. Enterprises controlled by the Key Management Personnel of the Group

Dalmia Refractories Limited, Keshav Power Limited, Himshikhar Investment Limited and Dalmia Bharat Sugar and Industries Limited.

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

Nature of Transaction	(₹ in Cr.)				
	Holding Company	Associate	Key Management Personnel/ Director & Related	Key Management Personnel/ controlled enterprises	Total
Sale of goods and services	-	0.96	-	2.27	3.23
	(3.18)	(6.08)	(-)	(1.63)	(10.89)
Purchase of goods and services	126.90	30.75	-	42.69	200.34
	(125.03)	(18.17)	(-)	(30.36)	(173.56)
Reimbursement of expenses - Receivable	1.26	0.63	-	0.03	1.92
	(1.60)	(0.18)	(-)	(0.04)	(1.82)
Reimbursement of expenses - Payable	0.63	-	-	0.01	0.64
	(1.43)	(0.49)	(-)	(0.04)	(1.96)
Rent/Lease rent payment	-	36.27	-	-	36.27
	(-)	(31.68)	(-)	(-)	(31.68)
Rent Received	-	0.05	-	-	0.05
	(0.01)	(0.02)	(-)	(0.01)	(0.04)
Sale of Fixed Assets	-	-	-	-	-
	(-)	(0.30)	(-)	(-)	(0.30)
Purchase of Fixed Assets / CWIP	-	-	-	6.89	6.89
	(-)	(-)	(-)	(0.09)	(0.09)
Dividend Paid	-	-	-	-	-
	(11.83)	(-)	(-)	(-)	(11.83)
Dividend Received	-	10.92	-	-	10.92
	(-)	(3.87)	(-)	(-)	(3.87)
Security Deposits received	-	5.06	-	-	5.06
	(0.03)	(-)	(-)	(-)	(0.03)
Interest paid	1.21	-	-	-	1.21
	(-)	(0.46)	(-)	(-)	(0.46)
Managerial Remuneration including sitting fees*	-	-	17.16	-	17.16
	(-)	(-)	(7.57)	(-)	(7.57)

(*does not include provision made for leave encashment and gratuity as the same is determined for the company as a whole)

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

1. Sale of goods includes transaction with Dalmia Bharat Sugar and Industries Limited ₹ 1.56 Cr (Previous Year ₹ 1.27 Cr), DCB Power Ventures Ltd ₹ 0.87 Cr (Previous Year ₹ 0.53 Cr), Dalmia Refractories Limited ₹ 0.71 Cr (Previous Year ₹ 0.36 Cr), OCL India Limited Nil (Previous Year ₹ 5.55 Cr), Dalmia Bharat Limited Nil (Previous Year ₹ 3.18 Cr).
2. Purchase of goods and services includes transaction with Dalmia Bharat Limited ₹ 126.90 Cr (Previous Year ₹ 125.03 Cr), Keshav Power Limited ₹ 23.73 Cr (Previous Year ₹ 26.82 Cr), OCL India Limited ₹ 30.75 Cr (Previous Year ₹ 18.17 Cr).
3. Reimbursement of expenses - receivable includes transaction with Dalmia Bharat Limited ₹ 1.26 Cr (Previous Year ₹ 1.60 Cr), DCB Power Ventures Ltd ₹ 0.63 Cr (Previous Year ₹ 0.14 Cr).
4. Reimbursement of expenses - payable includes transaction with Dalmia Bharat Limited ₹ 0.63 Cr (Previous Year ₹ 1.43 Cr), OCL India Limited Nil (Previous Year ₹ 0.49 Cr)
5. Rent/lease rent payment includes transaction with DCB Power Ventures Limited ₹ 36.27 Cr (Previous Year ₹ 31.68 Cr).
6. Rent received includes transaction with Dalmia Bharat Limited Nil (Previous year ₹ 0.01 Cr) and DCB Power Ventures Limited ₹ 0.05 Cr (Previous year ₹ 0.02 Cr), Dalmia Bharat Sugar & Industries Ltd ₹ 0.01 Cr (Previous Year ₹ 0.01 Cr).
7. Sale of Fixed Assets includes transaction with OCL India Ltd Nil (Previous Year ₹ 0.30 Cr)
8. Purchase of fixed assets includes transaction with Dalmia Bharat Sugar & Industries Ltd Nil (Previous Year ₹ 0.09 Cr), Dalmia Refractories Limited ₹ 6.89 Cr (Previous year Nil).
9. Security deposit received includes transaction with DCB Power Ventures Limited ₹ 5.06 Cr (previous year Nil), Dalmia Bharat Limited Nil (Previous year ₹ 0.03 Cr).
10. Interest paid includes transactions with Dalmia Bharat Limited ₹ 1.21 Cr (previous year Nil), OCL India Limited Nil (Previous year ₹ 0.46 Cr).
11. Dividend received includes transaction with OCL India Limited ₹ 10.92 Cr (Previous Year ₹ 3.87 Cr).
12. Dividend paid includes transaction with Dalmia Bharat Limited Nil (Previous Year ₹ 11.83 Cr).
13. Managerial Remuneration including sitting fees includes transaction with Sh. Gautam Dalmia ₹ 2.20 Cr. (Previous Year ₹ 2.03 Cr.), Sh. Puneet Yadu Dalmia ₹ 2.28 Cr (Previous Year ₹ 2.04 Cr) and Sh. Mahendra Singhi ₹ 12.63 Cr. (Previous Year ₹ 3.49 Cr.).

b) Balances outstanding at year end:

Nature of Transaction	Holding Company	Associate	Key Management Personnel	Key Management Personnel/ Promoter controlled enterprises	(₹ in Cr.)
					Total
Amounts receivable	-	-	-	0.52	0.52
	(-)	(0.20)	(-)	(0.01)	(0.21)
Amounts payable	26.30	4.29	-	4.72	35.31
	(49.07)	(11.48)	(0.95)	(2.02)	(63.52)

Note: Investment with related parties are disclosed in Note 13.

1. Amount receivable includes Dalmia Refractories Limited ₹ 0.52 Cr (previous year Nil). OCL India Limited ₹ Nil (Previous year ₹ 0.17 Cr). DCB Power Ventures Limited Nil (Previous year ₹ 0.03 Cr).
2. Amount payable includes transaction with Dalmia Bharat Limited ₹ 26.30 Cr (Previous year ₹ 49.07 Cr), DCB Power Ventures Limited ₹ 4.29 Cr (Previous Year ₹ 0.53 Cr), OCL India Limited Nil (Previous year ₹ 10.95 Cr).

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

44. Details of the Group's share in Joint Ventures included in the consolidated financial statement are as follows:

	(₹ in Cr.)	
Particular	2014-15	2013-14
Liabilities		
Non-Current Liabilities		
Other long term liabilities	4.28	4.28
Current Liabilities		
Other current liabilities	-	-
Short term provision	-	-
Total	-	-
Assets		
Non-Current Assets		
Tangible Fixed Assets	0.61	0.61
Capital Work in Progress	5.62	5.08
Long Term loans and advances	1.59	0.09
Total	7.82	5.78
Current Assets		
Cash & cash equivalents	1.71	0.32
Short term Loans & Advances	0.04	-
Other Current Assets	0.06	0.01
Total	1.81	0.33

45. Movement of long term provision during the year:

	(₹ in Cr.)	
Mines Reclamation Liability	2014-15	2013-14
Opening Provision	9.23	8.31
Add : Provision during the year	0.54	0.92
Closing Provision	9.77	9.23

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

46. In 2011-12 the Group had initially acquired 14.59% stake in Calcom Cement India Limited (Calcom), ultimately extendable to 50% of the Equity Share Capital of Calcom by entering into definitive agreements with Calcom, Saroj Sunrise Private Limited ('SSPL') (a Company owned by the erstwhile promoters of Calcom) and the erstwhile promoters of Calcom. During the year 2012-13, revised agreements were entered in to increase the Company's nominal stake up to 66.26% (and voting stake up to 75.63%) ultimately extendable to nominal stake of 66.70% (and voting stake of 76.00%) of the Equity Share Capital of Calcom - including keeping shares representing nominal stake of 14.23% (and voting stake of 16.24%) of the Equity Share Capital of Calcom in escrow, with beneficial ownership being with the Company, to be released at a future date upon satisfaction of certain conditions. The Company has invested a total amount of ₹ 256.99 Crore and ₹ 59.00 Crore respectively in the Equity Shares of Calcom and Optionally Redeemable Convertible Debentures ('OCDs') of SSPL.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

The OCDs are non interest bearing and are secured by the pledge of equity shares of Calcom held by SSPL. If certain conditions for performance by promoters of Calcom are met, these OCDs are convertible into equity shares constituting 0.01% shareholding of SSPL, else the Company has an option either to get the debentures redeemed for an aggregate amount of ₹ 59.00 Crore or convert into equity shares constituting 99.99% shareholding of SSPL.

Apart from the above investments, the Company has granted loans to Calcom to the extent of ₹ 254.56 Crores (excluding interest accrued and advance recoverable of ₹ 0.66 crore) as at March 31, 2015 to fund its ongoing Projects as well as losses.

Calcom has incurred losses of ₹ 62.03 crore during the year ended March 31, 2015 and has accumulated losses of ₹ 451.06 crore as at March 31, 2015. Keeping in view of its nature of long term strategic investment, no impairment has been considered for carrying cost of investments and loans/ receivables given to Calcom.

47. In earlier years, its subsidiaries Calcom Cement India Limited & Adhunik Cement Limited had imported certain plant and machinery under EPCG scheme without payment of applicable custom duty / excise duty for which they had assumed export obligation to be fulfilled as per the provisions of the said scheme. As at the balance sheet date, the management has, based on its latest business plan, estimated that the Companies will be able to fulfil only a portion of the export obligation within the stipulated time and consequently, an amount of ₹ 24.32 Cr has been provided towards the custom duty / excise duty (out of which ₹ 4.83 Cr has been capitalised with the cost of the underlying plant and machinery with retrospective effect and ₹ 19.49 Cr has been treated as input credit receivable) and ₹ 29.90 Cr has been accrued towards interest due to non-fulfilment of export obligation out of which ₹ 13.89 Cr has been capitalised in terms of Accounting Standard 16 and ₹ 16.01 Cr has been charged off to Statement of Profit & Loss. Depreciation for the year is higher by ₹ 2.19 Cr due to above adjustments.

48. During the earlier years, the Company had invested ₹453.56 Crore in Adhunik Cement Limited to make it 100% subsidiary company.

Adhunik has incurred losses of ₹ 69.34 crore during the year ended March 31, 2015 and has accumulated losses of ₹ 355.99 crore as at March 31, 2015. However, keeping in view of strategic long term nature of investment, no diminution has been considered in carrying cost of investment in shares of Adhunik.

49. The Debt Restructuring package was approved by CDR Empowered Group of Reserve bank of India in one of its subsidiary Calcom Cement India Limited, as a result of which its loan repayment schedule was restructured to defer the repayment .Considering these facts as well as the business of its subsidiary and the commitment of Group to provide the requisite liquidity support to its subsidiary, the management is confident that it will be able to operate as going concern and accordingly the financial statement of its subsidiary is drawn under going concern assumption.

50. The Group, in joint venture with Sun Flag Iron & Steel Limited, was allocated Khappa & Extension Coal Block (KECB) by the Ministry of Coal, Government of India vide their letter dated May 29,2009 for development of coal mine and use of coal for captive mining.

The Group has made an investment of ₹ 1.84 crore in shares of KCCPL and given advance against share application money of ₹ 4.28 crore as at March 31, 2015. State Bank of India has also given a Bank Guarantee of ₹ 3.90 crore in favour of Ministry of Coal, against which the Company has issued a Deed of Guarantee of ₹ 4.00 crore in favour of State of Bank of India as a counter guarantee.

Consequent upon decision of Hon'ble Supreme Court of India for cancellation of coal block vide order dated 24th September 2014, the company has provided for its exposure in joint venture Company 'Khappa Coal Company Private Limited' amounting to ₹6.12 crore and the same has been shown as exceptional item.

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

51. Details of loans and advances in nature of loans to subsidiaries, parties in which Directors are interested and Investments by the Loanee in the shares of the company (as required by clause 28 of debt listing agreement)

Particulars	(₹ in Cr.)			
	Outstanding amount as at end of financial year	Maximum amount outstanding during financial year	Outstanding amount as at end of financial year	Maximum amount outstanding during financial year
	2014-15	2014-15	2013-14	2013-14
	-	-	-	-

Note: Investment in associates are disclosed in Note 13.

52. During the year, the Company has invested ₹ 332.49 Cr. in the equity of one of the subsidiary company to facilitate the acquisition of 100% holding of Dalmia Cement East Limited (formerly known as Bokaro Jaypee Cement Limited) having cement production capacity of 2.1 MTPa.

53. During the year, the Company has increased its stake in OCL India Limited from 48% to 74.66% through interse promoter transfer at cost of ₹ 1,030.66 crore.

54. In the opinion of the management there is no reduction in value of any assets, hence no provisions is required in terms of Accounting Standard AS 28 "Impairment of Assets".

55. Due to adoption of depreciation rates on the basis of useful life as prescribed under Schedule II of the Companies Act'2013, depreciation charged for the year is higher by ₹ 11.17 Cr. as compared to the depreciation rates charged during previous year. Further, written down value of fixed assets whose lives have expired as at 1st April, 2014 amounting to ₹ 4.25 Cr. have been adjusted net of tax, from the surplus in statement of profit and loss in accordance with provisions of schedule II to the Companies Act, 2013.

56. The company's subsidiary Golden Hills Resort Private Limited has been issued LOI for a limestone mining area in Chittorgarh district of Rajasthan by Government of Rajasthan for setting up the Cement Plant of 2 MTPA within 2 years from the date of execution of mining lease deed with a condition to submit a bank guarantee of ₹ 12 crore .The mining lease deed has not yet been executed.

57. The company is involved in various litigations (including arbitrations), the liability of which are considered probable and in respect of which the company has made entries for ₹ 55.57 Cr (₹ 15.73 Cr) during the year ended March 31, 2015.

58. There is no loan and guarantee is required to be reported in the consolidated financial statements pursuant to the provisions of Section 186(4) of Companies Act, 2013.

59. In respect of license granted for captive mining block at Radhikapur mines, a Joint Venture company Radhikapur (West) Coal Mining Private Limited has been incorporated on 29th March 2010 in which the Company's interest jointly with OCL Iron & Steel Limited (OISL) is 14.696%. The Company has invested ₹ 7.35 Cr in equity shares of the JV company which includes ₹ 3.83 Cr being proportionate value of shares to be transferred to OISL after the receipt of approval from the Ministry of Coal, Govt of India and other Joint Venture Partners.

60. Consequent upon decision of the Hon'ble Supreme Court of India cancelling the allocation of Coal block, vide Order dated 24th September, 2014, OCL India Limited is in the process of assessing the recoverability of the amounts invested of ₹ 3.51 Cr. in the Joint Venture Company "Radhikapur (West) Coal Mining Private Ltd." As a matter of prudence, a provision for similar amount has been made in the accounts during the current year.

61. Company's subsidiary Dalmia Cement East Limited had challenged the constitutional validity of West Bengal Tax on entry of goods into local area Act 2012, before the Hon'ble Kolkata high court. The honorable Kolkata high court vide its order dated 26th June 2013 was pleased to extend the same order that was passed in the case of writ petition no. 11407 (w) of 2012 decided by the learned single judge on 24th June 2013 declaring the act as unconstitutional on multifarious grounds. The state government had gone in appeal before the divisional bench against the original order passed in Writ

DALMIA CEMENT (BHARAT) LIMITED

Dalmia Cement (Bharat) Limited

Notes to consolidated Financial Statement as at and for the year ended March 31, 2015

Petition number 11407 (w) of 2012. Pending decision of larger bench, the Company had discontinued depositing the entry tax under the said act. Consequent to the decision of Kolkata high court, the aggregate amount of ₹ 2.55 Cr deposited by the Company on account of entry tax till September 13 is now being shown as part of Loans and advances.

62. Financial statements of one of its subsidiary company Calcom Cement India Limited and three step down subsidiaries namely Vinay Cements Limited, RCL Cements Limited and SCL Cements Limited, whose financial statements reflect total assets of Rs. 1171.12 crores as at 31st March, 2015 and total revenues of Rs. 270.93 crores and net cash outflows amounting to Rs. 29.46 crores for the year ended 31st March, 2015, have been considered in these consolidated financial statements on the basis of unaudited financial statements certified by management as their audit is not yet completed. The management is of the view that after completion of audit, there will not be any significant financial impact on these financial statements.

63. Previous Year Comparatives

Figures in brackets pertain to previous year. Previous year's figures have been regrouped where necessary to confirm to this year's classification.

For S.S. Kothari Mehta & Co.

Firm registration No. : 000756N

Chartered Accountants

Arun K. Tulsian

Partner

Membership No. 89907

Place: New Delhi

Date: May 12, 2015

Mahendra Singhi

Whole time Director & CEO

Jayesh Doshi

Chief Financial Officer

Puneet Yadu Dalmia

Managing Director

Manisha Bansal

Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

Annexures forming part of Directors' Report

ANNEXURE 1

**Salient features of financial statements of subsidiary / associates / Joint ventures as per Companies Act, 2013
Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies and joint ventures**

PART - A : Subsidiaries

(₹ in Crore)

S. No.	Name of the subsidiary	Reporting Currency	Share capital	Reserves & Surplus	Total assets	Total Liabilities	Investments	Turn-over	Profit before	Provision for taxation	Profit after taxation	Proposed Dividend	% of share-holding
	Subsidiaries												
1	D.I. Properties Limited	INR	0.25	0.32	2.35	2.35	-	-	(0.05)	0.00	(0.05)	-	100.00%
2	Shri Rangam Properties Limited	INR	0.25	0.67	9.44	8.51	-	-	0.21	0.04	0.17	-	100.00%
3	Arjuna Brokers & Minerals Limited	INR	0.05	0.01	0.07	0.00	-	-	(0.00)	-	(0.00)	-	100.00%
4	Dalmia Minerals & Properties Limited	INR	0.05	(0.05)	51.06	51.06	12.50	-	(0.03)	-	(0.03)	-	100.00%
5	Shri Radha Krishna Brokers & Holdings Limited	INR	0.05	0.03	0.08	0.00	0.04	-	(0.00)	(0.00)	(0.00)	-	100.00%
6	Sri Shanmuga Mines & Minerals Limited	INR	0.05	0.00	8.36	8.31	-	-	(0.00)	-	(0.00)	-	100.00%
7	Sri Subramanya Mines & Minerals Limited	INR	0.05	0.02	5.33	5.25	-	-	(0.00)	-	(0.00)	-	100.00%
8	Ishita Properties Limited	INR	0.05	(3.14)	1.03	4.12	0.50	0.43	0.39	0.09	0.31	-	100.00%
9	Hemshila Properties Limited	INR	0.25	0.43	6.44	5.76	0.01	-	0.17	0.03	0.14	-	100.00%
10	Geetee Estates Limited	INR	0.05	0.39	6.49	6.05	-	-	(0.01)	-	(0.01)	-	100.00%
11	Sri Swaminatha Mines & Minerals Limited	INR	0.05	0.15	2.62	2.42	-	-	(0.01)	(0.00)	(0.01)	-	100.00%
12	Sri Trivikrama Mines & Properties Limited	INR	0.05	(0.07)	6.29	6.31	-	-	(0.18)	-	(0.18)	-	100.00%
13	Sri Madhusudana Mines & Properties Limited	INR	0.05	0.23	6.31	6.02	-	-	(0.01)	-	(0.01)	-	100.00%
14	Sri Dhandauthapani Mines & Minerals Limited	INR	0.05	0.09	0.14	0.01	0.12	-	(0.00)	(0.00)	(0.00)	-	100.00%
15	Golden Hills Resort Private Limited	INR	0.94	0.06	1.53	0.53	-	-	(0.00)	-	(0.00)	-	100.00%
16	Rajputna Properties Private Limited	INR	0.01	(0.00)	1.16	1.15	-	-	-	-	-	-	100.00%
17	Adhunik Cement Limited	INR	32.95	26.36	910.76	851.45	2.00	421.28	(69.34)	-	(69.34)	-	100.00%
18	Calcolm Cement India Limited	INR	408.79	(261.51)	1,357.44	1,184.35	72.76	258.11	(26.09)	-	(26.09)	-	76.00%
19	Dalmia Bharat Cements Holdings Limited	INR	83.16	214.99	932.32	634.17	908.05	4.59	(34.34)	-	(34.34)	-	100.00%
20	Jayevijay Agro Farms Private Limited	INR	0.01	(0.23)	3.23	3.45	-	-	(0.23)	-	(0.23)	-	100.00%
21	OCL INDIA LIMITED	INR	11.39	1,184.82	3,281.94	2,085.73	1,113.83	285.09	18.07	4.78	13.29	22.76	74.66%
	Step down Subsidiaries												
22	Sutnga Mines Private Limited	INR	2.00	(0.04)	1.98	0.02	1.41	-	(0.00)	(0.00)	(0.00)	-	100.00%
23	Cosmos Cements Limited	INR	14.00	(0.28)	49.44	35.72	-	-	(0.03)	-	(0.03)	-	100.00%
24	Adhunik MSP (Cement Assam) Limited	INR	0.25	1.76	2.15	0.15	-	-	-	-	-	-	100.00%
25	RCL Cements Limited	INR	3.63	13.10	39.07	22.34	31.07	-	(0.11)	0.04	(0.15)	-	76.00%
26	SCL Cements Limited	INR	2.97	(19.27)	13.62	28.40	-	5.57	(4.45)	-	(4.45)	-	76.00%
27	Vinay Cement Limited	INR	18.90	(93.06)	104.86	179.02	53.12	24.89	(33.34)	(2.05)	(31.29)	-	73.87%
28	Shri Rangam Securities & Holdings Limited	INR	90.85	816.37	986.83	79.61	985.86	0.05	(0.81)	0.03	0.83	-	100.00%
29	Dalmia Cement East Limited	INR	133.65	76.84	688.62	478.13	53.69	137.40	(28.61)	(14.50)	(14.11)	-	100.00%
30	OCL Global Limited	USD	13.48	46.59	76.60	16.53	28.32	13.82	0.62	-	0.62	-	74.66%
31	OCL China Limited	RMB	24.41	20.23	90.98	46.34	-	10.71	0.77	-	0.77	-	74.66%
32	Odisha Cement Limited	INR	0.05	(0.01)	0.05	0.00	-	-	(0.00)	0.00	(0.00)	-	74.66%

Names of subsidiaries which are yet to commence operation

Nil

Names of subsidiaries which have been liquidated or sold during the year

Nil

PART - B : Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies and joint ventures

Shares of Associate/Joint ventures held by the Company on the year end

(₹ in Crore)

S.No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	No. of shares held	Amount of Investment in Associates/ Joint Venture	Extend of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year considered in consolidation	Profit / Loss for the year not in considered consolidation	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
	Joint Venture									
1	Khappa Coal Company Private Limited	31-Mar-15	1,836,500	1.84	36.73%	1.84	-	-	-	-
2	Radhikapur (West) Coal Mining Private Limited	31-Mar-15	3,835,000	3.84	5.25%	2.62	-	-	-	-
	Associates									
3	DCB Power Ventures Limited	31-Mar-15	130,000	91.08	26.00%	101.69	6.20	-	Note - A	-

Note:

A. There is significant influence due to percentage(%) of share capital.

Mahendra Singhi
Whole time Director & CEO

Puneet Yadu Dalmia
Managing Director

Jayesh Doshi
Chief Financial Officer

Manisha Bansal
Company Secretary

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

on the financial year ended on 31-3-2015

[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:-	U65191TN1996PLC035963
ii)	Registration Date	4-7-1996
iii)	Name of the Company	Dalmia Cement (Bharat) Limited
iv)	Category/ Sub- Category of the Company	Public Limited Company
v)	Address of the Registered office and Contact Details	Dalmiapuram-621651, Dist. Tiruchirapalli, Tamil Nadu
vi)	Whether Listed Company	Yes (Only Debt Securities Listed)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032

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:-

S.No	Name and Description of main products/services	NIC Code of the Product/ Service	% of total turnover of the Company
1	Manufacturing of Cement	2394	94.78%
2	Generation of Electricity	3510	2.81%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares Held	Applicable Section
1	Dalmia Bharat Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	L40109TN2006PLC058818	Holding	85.01	2(46)
2	Ishita Properties Limited 11th floor, Hansalaya, 15 Barakhamba Road, New Delhi - 110001	U45203DL1994PLC116832	Subsidiary	100	2(87)
3	D. I. Properties Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U65993TN1996PLC035964	Subsidiary	100	2(87)
4	Geetee Estates Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U65993TN1996PLC035965	Subsidiary	100	2(87)
5	Hemshila Properties Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U65191TN1996PLC035962	Subsidiary	100	2(87)
6	Shri Rangam Properties Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U65993TN1997PLC037308	Subsidiary	100	2(87)
7	Shri Radha Krishna Brokers & Holdings Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U67200TN2005PLC057330	Subsidiary	100	2(87)
8	Sri Shanmugha Mines & Minerals Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14107TN2006PLC058817	Subsidiary	100	2(87)
9	Sri Swaminatha Mines & Minerals Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14107TN2006PLC058820	Subsidiary	100	2(87)

DALMIA CEMENT (BHARAT) LIMITED

S.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares Held	Applicable Section
10	Sri Subramanya Mines & Minerals Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14107TN2006PLC058816	Subsidiary	100	2(87)
11	Sri Dhandauthapani Mines and Minerals Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14107TN2006PLC061254	Subsidiary	100	2(87)
12	Sri Trivikrama Mines and Properties Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14102TN2006PLC061212	Subsidiary	100	2(87)
13	Sri Madhusudana Mines and Properties Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14105TN2006PLC061260	Subsidiary	100	2(87)
14	Arjuna Brokers & Minerals Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U67200TN2005PLC057329	Subsidiary	100	2(87)
15	Dalmia Minerals & Properties Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U14107TN2005PLC057327	Subsidiary	100	2(87)
16	Sutnga Mines Private Limited Block (iii), Ferndale Complex, Keating Road, Shillong, Meghalaya - 793001	U13209ML2007PTC008281	Step Down Subsidiary	NIL	2(87)
17	Cosmos Cements Limited Block (iii), Ferndale Complex, Keating Road, Shillong, Meghalaya - 793001	U26959ML2007PLC008279	Step Down Subsidiary	NIL	2(87)
18	Rajputana Properties Private Limited House No. C-20, Behind Hotel Mahavir, Kamla Nagar, Tehsil Nimbahera, Chittorgarh, Rajasthan - 312601	U45201RJ2008PTC025767	Subsidiary	100	2(87)
19	Golden Hills Resort Private Limited House No. C-20, Behind Hotel Mahavir, Kamla Nagar, Tehsil Nimbahera, Chittorgarh, Rajasthan - 312601	U55101RJ2003PTC018766	Subsidiary	100	2(87)
20	Calcom Cement India Limited 3rd and 4th floor, Anil Plaza-II, ABC, G.S. Road, Guwahati, Assam - 781005	U26942AS2004PLC007538	Subsidiary	66.70	2(87)
21	Vinay Cement Limited Jamuna Nagar, Umrangshu, Dist. North Cachar Hills - 788931	U26942AS1986PLC002553	Step Down Subsidiary	NIL	2(87)
22	SCL Cements Limited 3rd and 4th floor, Anil Plaza-II, ABC, G.S. Road, Guwahati, Assam - 781005	U26959AS1999PLC008422	Subsidiary of Step down Subsidiary	NIL	2(87)
23	RCL Cements Limited 3rd and 4th floor, Anil Plaza-II, ABC, G.S. Road, Guwahati, Assam - 781005	U26941AS1997PLC005279	Subsidiary of Step down Subsidiary	NIL	2(87)
24	Adhunik Cement Limited VillThangskai, Lumshnong, Khelriahat, Meghalaya, 793200	U26942ML2003PLC007090	Subsidiary	100	2(87)
25	Adhunik MSP Cement (Assam) Limited 3rd and 4th floor, Anil Plaza-II, ABC, G.S. Road, Guwahati, Assam - 781005	U26959AS2008PLC008717	Step Down Subsidiary	NIL	2(87)
26	Dalmia Bharat Cements Holdings Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U26911TN2014PLC095681	Subsidiary	100	2(87)
27	Shri Rangam Securities & Holdings Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U26950TN2014PLC095685	Step Down Subsidiary	NIL	2(87)

DALMIA CEMENT (BHARAT) LIMITED

S.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares Held	Applicable Section
28	JayeVijay Agro Farms Private Limited Old No. 2-61, New no. 2-59 Vinayagarkovil street, Thuraiyur, Tamil Nadu - 621008	U01400TN2013PTC094135	Subsidiary	100	2(87)
29	Dalmia Cement East Limited 11th Floor, Hansalaya building, 15, Barakhamba Road, New Delhi-110001	U45209DL2008PLC175321	Subsidiary of Step down Subsidiary	NIL	2(87)
30	OCL India Limited AT/PO/PS-Rajgangpur, Dist. Sundargarh, Odisha-770017	L26942OR1949PLC000185	Subsidiary	74.66	2(87)
31	OCL Global Limited Gearge Street, Port Bourn, Mauritius	-	Subsidiary of Step down Subsidiary	NIL	2(87)
32	OCL China Limited Nanlou Economic Development Zone, Chenjia Village, Dashiqiao - 115103, Liaoning, China	-	Subsidiary of Step down Subsidiary	NIL	2(87)
33	Odisha Cement Limited AT/PO/PS-Rajgangpur, Dist. Sundargarh, Odisha-770017	U14200OR2013PLC017132	Subsidiary of Step down Subsidiary	NIL	2(87)
34	DCB Power Ventures Limited Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621651	U40109TN2006PLC058819	Associate	26	2(6)
35	Khappa Coal Company Private Limited 33, Mount Road, Sadar, Nagpur - 440001	U10100MH2009PTC191907	Joint Venture	36.73	2(6)
36	Radhikapur (West) Coal Mining Private Limited Registered Officer at Plot No.52, Saheed Nagar, Bhubaneswar, Orissa, Pin-751 007	U10100OR2010PTC011795	Associate of Subsidiary Company	NIL	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	21,50,00,000	-	21,50,00,000	85.01%	21,50,00,000	-	21,50,00,000	85.01%	NIL
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	21,50,00,000	-	21,50,00,000	85.01%	21,50,00,000	-	21,50,00,000	85.01%	NIL
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-

DALMIA CEMENT (BHARAT) LIMITED

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	
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	21,50,00,000	-	21,50,00,000	85.01%	21,50,00,000	-	21,50,00,000	85.01%	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub- total (B)(I):-	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.	3,79,19,005	-	3,79,19,005	14.99%	3,79,19,005	-	3,79,19,005	14.99%	NIL
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i. Individual Shareholders holding nominal share capital upto ₹1Lakh	-	-	-	-	-	-	-	-	-
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
c) Other (specify)	-	-	-	-	-	-	-	-	-
Sub- total (B)(2):-	3,79,19,005	-	3,79,19,005	14.99%	3,79,19,005	-	3,79,19,005	14.99%	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	3,79,19,005	-	3,79,19,005	14.99%	3,79,19,005	-	3,79,19,005	14.99%	NIL
C. Shares Held By Custodian For GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	25,29,19,005	-	25,29,19,005	100%	25,29,19,005	-	25,29,19,005	100%	NIL

DALMIA CEMENT (BHARAT) LIMITED

ii) Shareholding Of Promoters

S.No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in share - holding 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	
	Dalmia Bharat Limited (along with its nominees)	21,50,00,000	85.01%	Nil	21,50,00,000	85.01%	Nil	Nil
	Total	21,50,00,000	85.01%	Nil	21,50,00,000	85.01%	Nil	Nil

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

S.No	Shareholders Name	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Dalmia Bharat Limited (along with its nominees)	21,50,00,000	85.01%	21,50,00,000	85.01%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change	No Change	No Change	No Change
	At the End of the Year				
	Dalmia Bharat Limited (along with its nominees)	21,50,00,000	85.01%	21,50,00,000	85.01%

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

S.No	For Each of the Top 10 Shareholders	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares Shares of the Company	% of total	No. of Shares Shares of the Company	% of total
	At the beginning of the year				
	KKR Mauritius Cement Investments Limited	3,79,19,005	14.99%	3,79,19,005	14.99%
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
	At the End of the Year				
	KKR Mauritius Cement Investments Limited	3,79,19,005	14.99%	3,79,19,005	14.99%

DALMIA CEMENT (BHARAT) LIMITED

v) Shareholdings of Directors and Key Managerial Personnel:
Directors and Key Managerial Personnel are not having any shareholding in the company.

S.No	For Each of the Directors and KMP	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares Shares of the Company	% of total	No. of Shares Shares of the Company	% of total
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):				
	At the End of the Year				

V. INDEBTEDNESS

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

(₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
i. Principal amount	2,956.15	57.91	8.22	3,022.28
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	9.84		0.68	10.51
Total (i+ii+iii)	2,965.99	57.91	8.90	3,032.79
Change in Indebtedness during the Financial Year				
■ Addition	40,224.60	385.00		40,609.60
■ Reduction	(38,593.89)	(279.60)	(8.90)	(38,882.38)
Net Change	1,630.71	105.40	(8.90)	1,727.22
Indebtedness at the end of the Financial Year				
i. Principal amount	4,563.91	163.31	-	4,727.22
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	32.79	-	-	32.79
Total (i+ii+iii)	4,596.70	163.31	-	4,760.01

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in crores)

S.No	Particulars of Remuneration	Name of the MD / WTD / Manager				Total Amount
		Gautam Dalmia (Managing Director)	Puneet Yadu Yadu Dalmia (Managing Director)	Mahendra Singhi (Whole-time Director and CEO)	T.Venkatesan (Deputy Managing Director)	
1.	Gross Salary					
(a)	Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	2.09	2.18	11.31	-	15.57
(b)	Value Of Perquisites u/s 17(2) Income Tax Act, 1961	0.04	0.03	0.67	-	0.75
(c)	Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-

DALMIA CEMENT (BHARAT) LIMITED

(₹ in crores)

S.No	Particulars of Remuneration	Name of the MD / WTD / Manager				Total Amount
		Gautam Dalmia (Managing Director)	Puneet Yadu Dalmia (Managing Director)	Mahendra Singhi (Whole-time Director and CEO)	T.Venkatesan (Deputy Managing Director)	
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - As % of profit - Others, specify	-	-	-	-	-
5.	Others	-	-	-	-	-
	Total (A)	2.13	2.21	11.98		16.32
Ceiling as per the Act		10 % of the net profits of the Company amounting to ₹ 8.84crores				

Note:

- Mr. T.Venkatesan is drawing his salary from the Holding Company, Dalmia Bharat Limited.
- Appointments of Mr. Gautam Dalmia, Mr. Puneet Yadu Dalmia and Mr. Mahendra Singhi have been made prior to 1st April, 2013 and hence their remuneration is governed by the provisions of Schedule XIII of the Companies Act, 1956 read with the notification dated 14-7-2011. The salaries of Mr. Gautam Dalmia and Mr. Puneet Yadu Dalmia have been paid on the basis of the Central Government approval, hence the ceiling limit of 10% of the net profits for the managerial remuneration is ignored.

B. Remuneration to other Directors:

1. Independent Directors

(₹ in crores)

Particulars of Remuneration	Name of the Directors						Total Amount
	G.N.Bajpai	N.Gopaldaswamy	Rajeev Gupta	Asanka Rodrigo*	Paul Hugentobler	Sudha Pillai**	
Fee for attending Board / Committee Meetings	0.07	0.07	0.03	0.01	0.01	-	0.19
Commission	0.25	0.06	0.15	-	0.20	-	0.66
Others, please specify	-	-	-	-	-	-	-
Total 1	0.32	0.13	0.18	0.01	0.21		0.85

* Resigned w.e.f 15-5-2014

** Joined w.e.f 20-3-2015

2. Other Non-Executive Directors

(₹ in crores)

Particulars of Remuneration	Name of the Directors			Total Amount
	Sanjay Nayar	Jai Hari Dalmia	Yadu Hari Dalmia	
Fee for attending Board / Committee Meetings	0.06	0.03	0.03	0.12
Commission	0.06	-	-	0.06
Others, please specify	-	-	-	-
Total 2	0.12	0.03	0.03	0.18
Total B=(Total 1 and Total 2)				1.03
Total Managerial Remuneration (excluding sitting fees)				17.04
Overall Ceiling as per the Act	11% of the net profits of the Company amounting to ₹ 9.73crores			

DALMIA CEMENT (BHARAT) LIMITED

3. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD

(₹ in crores)

S.No	Particulars of Remuneration	Key Managerial Personnel			
		Chief Executive Officer#	Manisha Bansal (Company Secretary) ##	Jayesh Doshi (Chief Financial Officer) ##	Total Amount
1.	Gross Salary				
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value Of Perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- As % of profit	-	-	-	-
	- Others, specify....	-	-	-	-
5.	Others	-	-	-	-
	Total	-	-	-	-

Whole-time Director is the Chief Executive Officer, whose salary details covered in VI A above.

The Company Secretary and the Chief Financial Officer are drawing their salaries from the Holding Company, Dalmia Bharat Limited.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NONE

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
Penalty					
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE 3

DALMIA CEMENT (BHARAT) LIMITED

Regd. Office: Dalmiapuram - 621651, Dist: Tiruchirapalli, Tamil Nadu

[CIN: U65191TN1996PLC035963]

Tel. No.: (04329) 235132 Website: www.dalmiacement.com; E-mail: invhelp1@dalmiabharat.com

NOMINATION AND REMUNERATION POLICY

- 1) **Objective:** This Policy is laid down to comply with the provisions of section 178 of the Companies Act, 2013 read along with the Rules made thereunder.
- 2) **Definitions:**
 - a. "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
 - b. "Board" means the Board of Directors of the Company.
 - c. "Directors" means the Directors of the Company as may be appointed from time to time.
 - d. "Independent Director" means a Director who has been appointed as such and who satisfies the criteria and conditions laid down in S.149(6) of the Companies Act, 2013
 - e. "Key Managerial Personnel" (KMP) means the following persons as defined in S.2(51) of the Companies Act, 2013 and (i) Managing Director or Manger or Chief Executive Officer; (ii) Company Secretary; (iii) Whole-time Director; (iv) Chief Financial Officer; and (iv) such other officer as may be prescribed.
 - f. "Senior Management Persons" (SMP) means the following persons, as defined in Explanation to S.178(8) of the Companies Act, 2013, being personnel of the Company who are members of its core management team, excluding Board of Directors, comprising all members of management, one level below the executive directors including all functional heads.
- 3) **Constitution of the Committee and matters relating there to:**
 - (a) **Constitution:**
 - (i) The Committee shall consist of minimum 3 Non-Executive Directors, majority of them being Independent Director.
 - (ii) Minimum two members shall constitute a quorum for the meeting.
 - (iii) Constitution and membership of the Committee shall be disclosed in the Annual Report of the Company.
 - (iv) The Chairman of the Committee shall be an Independent Director.
 - (v) The Chairman of the Company may be nominated as a member of the Committee but shall not be its Chairman.
 - (vi) The Chairman of the Nomination and Remuneration Committee is required to be present at the Annual General Meeting or he may nominate some other member to answer the shareholders' queries.
 - (b) **Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required.
 - (c) **Secretary:**

The Company Secretary of the Company shall act as the Secretary of the Committee.
 - (d) **Procedure to be followed in meetings of the Committee:**
 - (i) A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at the meeting or when his or her own performance is being evaluated.
 - (ii) All matters shall be decided by a majority of votes cast by the members present and such decision

DALMIA CEMENT (BHARAT) LIMITED

shall for all purposes be treated as the decision of the Committee. In case of equality of votes, the Chairman shall have the casting vote.

- (iii) Head HR or a representative nominated by him shall be present at all meetings of the Committee to provide clarifications, if any, sought by the Committee.
- (iv) The Committee is also entitled to engage professionals to assist it in the performance of its duties and such costs shall be borne by the Company.
- (v) Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

4) Role of the Committee:

The Committee shall :-

- (a) Formulate the criteria for determining qualifications, positive attributes and independence of a director. [S.178(3)]
- (b) Recommend to the Board, a Policy relating to Remuneration of Directors, KMPs, and other employees. [S.178(3)]. This Policy has to be disclosed in the Board's Report [S.178(4)]. As per S.178(4), while formulating this policy, Committee has to ensure that:-
 - (i) Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required,
 - (ii) Relationship of remuneration to performance is clear, and meets appropriate performance benchmarks,
 - (iii) Remuneration to Directors, KMPs, and SM, involves a balance between fixed and incentive pay, reflecting short and long term performance objectives, appropriate for the Company.
- (c) Carry out evaluation of every Director's performance. [S.178(2)]
- (d) Identify persons who are qualified to become Directors, and who may be appointed as KMPs / SMPs in accordance with the criteria laid down in this policy. [S.178(2)]
- (e) Recommend to the Board the appointment and removal of KMPs and SMPs, in accordance with the criteria laid down. [S.178(2)]

5) Policy on Remuneration:

(a) Directors (including MDs and WTDs):

- (i) It would have to be within the ceiling as may be prescribed by law from time to time.
- (ii) It would have to be with such approvals as may be prescribed by law.
- (iii) In case of MDs / WTDs, it shall involve a balance between fixed and incentive pay, reflecting short term and long term performance objectives
- (iv) In case of non WTDs, total remuneration payable in accordance with law, be distributed amongst themselves, keeping in view (a) Responsibilities (e.g Chairmanship / Membership of important committees), (b) Tenure on the Board, (c) Devoting of time outside Board meetings, for Company's work etc, as may be decided by the Board.

(b) KMPs and other employees:

- (i) It would be based on TCTC concept. Within this TCTC, it could be made flexible, as per the needs of employees, in a fair and transparent manner.
- (ii) It would be based on Annual Compensation Surveys, followed by industry benchmarks, position benchmarks, performance benchmarks, comparative, and percentile position analysis.
- (iii) It would be in compliance with laws and regulations.

DALMIA CEMENT (BHARAT) LIMITED

6) Criteria for determining qualifications, positive attributes and independence of Directors:

- (a) Criteria for determining independence would be as laid down in S.149(6) of the Act.
- (b) No academic qualification is envisaged, but should be able to contribute positively to the deliberations at Board Meetings.

7) Criteria for identifying persons for appointment as SMPs: -

- (a) Should fulfill the Job Description, for the relevant position, as may be in force from time to time.
- (b) Should clear the Dalmia BEI (Behavioural Evaluation Interview)

8) Evaluation of every Director's performance (Suggested Criteria):

- (a) % attendance at Board Meetings.
- (b) Participation in discussions
- (c) Preparedness for Board Meetings, by reading of the relevant papers.
- (d) Contribution in terms of improving Business performance.
- (e) Proactive availability for Company's business, besides Board meetings.

9) General:

- (a) The persons selected for the positions of KMPs and SMPs should have the desired qualifications, expertise and experience for the position he/she is considered for appointment. The Committee shall have the discretion to decide whether the qualifications, expertise and experience possessed by a person is sufficient for the concerned position.
- (b) The Committee shall approve the selection of candidates to the position of Key Managerial Personnel and Senior Management persons as given by the HR Department and recommend to the Board, his or her appointment.
- (c) The Committee shall not recommend the appointment of or continuation of appointment of any person to the above positions who have attained the age of seventy five years. In the event it is decided by the Committee to breach the above age limit, the Committee shall make such recommendation subject to approval of shareholders by way of a Special Resolution.[Sec 196(3(a) and proviso thereto]
- (d) Term/Tenure of appointment of Directors:
 - (i) Managing Director/Manager/Whole-time Director:

The term of appointment or re-appointment of any person as a Managing Director/Whole-time Director or Manager shall not exceed five years at a time. The re-appointment shall not be made earlier than one year before the expiry of the current term of appointment. [Sec 196(3)]
 - (ii) Independent Directors:

An Independent Director shall hold office for a term upto five consecutive years and can be reappointed on passing of a Special Resolution by the Shareholders of the Company for a further term of five years. [sec 149(10)]

No Independent Director shall hold office for more than two consecutive terms. An Independent Director who has completed the two consecutive terms of appointment of five years each, can however be appointed as an Independent Director after the expiry of three years of his ceasing to become an Independent Director provided he otherwise qualifies for being appointed as an Independent Director. [sec 149(11)]

At the time of appointment of an Independent Director it should be ensured that he is not an Independent Director of more than seven listed companies. If however, the Independent Director is serving as a Whole-time Director of a listed company, then it should be ensured that he is not an Independent Director of more than three listed companies.
 - (iii) Key Managerial Personnel/Persons in Senior Management persons:

DALMIA CEMENT (BHARAT) LIMITED

The term of appointment to the above positions, except that of Managing Director, Manager or Whole time Director, shall be determined by the Nomination and Remuneration Committee at its own discretion and may vary from position to position.

- (e) Evaluation of Key Managerial Personnel and person in Senior Management persons:

The Committee shall carry out evaluation of performance of every Director preferably at regular yearly intervals. For this purpose, the Board may engage the services of a professional for advising it on the process of evaluation, etc, and the cost of such professional shall be borne by the Company.

The Committee shall go through the recommendations of the evaluations by the HR Department of the persons holding Key Managerial Personnel (excluding the Managing Director and Whole time Director) and Senior Management persons and approve the same with or without modifications.

- (f) Removal:

The Committee may recommend to the Board with reasons recorded in writing the removal of a Director, Key Managerial Personnel or a Senior Management person for reasons of misconduct or negligence of duties.

A Director can be removed from his office if the shareholders pass an ordinary resolution pursuant to the provisions of section 169 of the Companies Act, 2013.

A Director shall also be required to continue to qualify as a Director in terms of section 164 of the Act and is not liable to vacate his office in terms of section 167 of the Act.

- (g) Retirement:

The Director, Key Managerial Personnel and Senior Management Persons shall retire as per the provisions of the Act and the policy of the Company. Subject to the provisions of Clause 4(B), the

Board will, however, have the discretion to retain the Director, Key Managerial Personnel and Senior Management Persons in the same position, including remuneration or otherwise even after his attaining the age of retirement in the interest of the Company.

- (h) The Remuneration policy will be disclosed in the Annual Report of the Company.

- (i) This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors. In other respects, the Remuneration Policy shall be of guidance for the Board.

- (j) Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors. However, any such amendment shall be annexed to this Policy and put on the website of the Company for ready reference of all concerned persons and placed before the Nomination and Remuneration Committee.

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE 4

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2014-15

DALMIA CEMENT (BHARAT) LIMITED

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.**

CORPORATE SOCIAL RESPONSIBILITY

Dalmia Cement (Bharat) Limited is a part of Dalmia Bharat Group which was founded in 1935 and has been following the concept of giving back and sharing with the under privileged sections of the society for more than seven decades. The CSR of the company is based on the principal of Gandhian Trusteeship. For over seven decades the company has addressed the issues of health and sanitation, education, rural infrastructure, women empowerment and other social development issues.

The prime objective of our CSR Policy is to hasten social, economic and environmental progress. We remain focussed on generating systematic and sustainable improvement for local communities surrounding our plants and project sites.

In the recent years company has realigned its CSR to focus on issues material to the company and its stakeholders. The approach is to make significant and sustainable difference through our programmes in the lives of beneficiaries by working in partnership with our stakeholders. Stakeholder engagements and baseline studies highlighted the issues of water scarcity, erratic power supply, unemployment amongst rural youths and basic rural infrastructure needs in our neighbouring community. The company realized that these issues were more material to their Group's businesses as well as to the communities around their facilities. Dalmia Bharat Group thus planned their CSR programmes in sectors of Soil & water conservation; Energy conservation and climate change mitigation; Skill development & livelihood Training and Social Development and started aiming at creation of shared values for all stakeholders.

Our CSR Policy can be accessed on <http://www.dalmiacement.com/upload/pdf/DCBL-CSR-POLICY.pdf>

Presently, Dalmia Cement (Bharat) Limited is working in 8 states viz. Tamil Nadu, Andhra Pradesh, Karnataka, Assam, Meghalaya, Madhya Pradesh, Rajasthan and Himachal Pradesh in more than 30 villages in four districts.

PROGRAMME OUTREACH DURING FY-2015

Our Key Focus Areas

1. **Soil & Water Conservation: Water conservation and management**

Depleting water table is a problem being faced across India. In our neighbouring communities, the water table is lower than 500 feet creating scarcity of water for agriculture and household use. We are thus working with the communities to develop water harvesting structures like check dams, village and farm ponds, ring wells, watershed activities to increase the water level in the area and also help in soil conservation. We have also promoted improved agriculture techniques like drip irrigation to help farmers grow two crops with 60 percent less water consumption and increased income.

2. **Renewable Energy: Promoting energy conservation**

Energy is another major concern in Indian Villages, with majority of the populations dependent on depleting fuel wood and erratic electricity supply. We are thus trying to promote more energy efficient and sustainable solutions in our community. We promote fuel-efficient chulhas, bio gas plants, Solar lighting systems like lanterns, street lights, study lamps and home lighting systems. These solutions also help in reduction of CO2 emissions.

3. **Livelihood & Skill Development: Capacity building through vocational training**

Unemployment amongst the youth in the neighbouring communities is high. Aiming at long term benefits for the youths and their family, the company has started many Skill Development programmes and

DALMIA CEMENT (BHARAT) LIMITED

provided training in areas like Para-military training, Driver Training, Computer Course, and many others. For women, the company has enabled formation of many SHGs and helped them get loans and also provided them trainings on many livelihood alternatives.

4. Social Development: Addressing health & sanitation, education, rural infrastructure development and social campaigns

The stakeholder engagement highlighted the issue of poor basic infrastructure which hinders the daily life as well as development of these villages. The company is helping in building the basic infrastructure needs of the community like School Sanitation blocks, low cost toilets, community halls, school buildings etc. Health is another concern among the community and company has pitched in by arranging General as well as Specialized Health Camps, providing medicines, Immunizations, Maternal and Child health Care.

2. The Composition of the CSR Committee.

Composition of the CSR Committee of Dalmia Cement (Bharat) Limited is:

1. Mr. N.Gopaldaswamy, Chairman and Independent Director
2. Mr. Puneet Yadu Dalmia, Executive and Non-Independent Director
3. Mr. Mahendra Singhi, Executive and Non-Independent Director
3. Average net profit of the company for last three financial years - ₹ 172.41 cr
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) - ₹ 3.45 cr
5. Details of CSR spent during the financial year:
 - (a) Total amount to be spent for the financial year; ₹ 3.45 cr
 - (b) Amount unspent, if any; ₹ 1.49cr
 - (c) Manner in which the amount spent during the financial year is detailed below.

Attached in ANNEXURE 2A

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.

Refer para on CSR Committee in Directors Report

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 implementation and monitoring of Dalmia Cement (Bharat) Limited CSR programmes is in compliance with the CSR objectives and policy of the company.

Mahendra Singhi
Whole-time Director

N.Gopaldaswamy
Chairman of CSR Committee

Date: 12-5-2015

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE 4A

(₹ In crores)

Dalmia Cement Bharat Limited							
S. 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 program wise	Amount spent on the projects or programs Subheads: (1)Direct expenditure on projects or programs (2)Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Soil and Water Conservation (Check Dams, Drip Irrigation, Village Ponds, Farm Ponds, Ring Wells, Watershed, Irrigation Channels)	Schedule VII / item No IV Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	1. The project was implemented in local area 2. Area of programme: Tamil Nadu, District Ariyalur and Tiruchirapalli; Andhra Pradesh, District Kadapa; Karnataka, District Belgaum; Assam, District Dimahasao and Nagaon; Meghalaya, District Jaintia Hills	0.40	0.18	0.18	Implementing agency - Dalmia Bharat Group Foundation
2	Energy Conservation (Bio Gas Plants, Fuel Efficient Cookstoves, Solar products)	Schedule VII / item No IV Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	1. The project was implemented in local area 2. Area of programme: Tamil Nadu, District Ariyalur and Tiruchirapalli; Andhra Pradesh, District Kadapa; Karnataka, District Belgaum; Assam, District Dimahasao and Nagaon; Meghalaya, District Jaintia Hills	0.32	0.16	0.16	
3	Education and Livelihood (Education in schools, ParaMilitary Training, Banana Leaf Training, Mushroom Cultivation, Computer Training, Drivers Training, Milch Animal Loans, Livestock Development, etc.)	Schedule VII / item No II Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled & livelihood enhancement project	1. The project was implemented in local area, 2. Area of programme: Tamil Nadu, District Ariyalur and Tiruchirapalli; Andhra Pradesh, District Kadapa; Karnataka, District Belgaum; Assam, District Dimahasao and Nagaon; Meghalaya, District Jaintia Hills; Rajasthan, District Chittorgarh; Madhya Pradesh, District Satna	0.08	0.05	0.05	
4	Women Empowerment (SHG formation and Training)	Schedule VII / item No III promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	1. The project was implemented in local area 2. Area of programme: Tamil Nadu, District Ariyalur and Tiruchirapalli; Karnataka, District Belgaum; Andhra Pradesh, District Kadapa; Meghalaya, District Jaintia Hills; Assam, District Dimahasao and Nagaon				
5	Health and Sanitation (Health Camps, Low Cost Toilets, School toilet units, Awareness Programs on health issues)	Schedule VII / item No I Eradicating extreme hunger and poverty and malnutrition, promoting health care including preventive health care promoting preventive health care and sanitation and making available drinking water	1. The project was implemented in local area 2. Area of programme: Tamil Nadu, District Tiruchirapalli; Karnataka, District Belgaum; Andhra Pradesh, District Kadapa; Meghalaya, District Jaintia Hills; Assam, District Nagaon and Dimahasao; Rajasthan, District Chittorgarh; Madhya Pradesh, District Satna; Himachal Pradesh, District Shimla	2.20	1.32	1.32	
6	Rural development (Infrastructure, Sports Events, Awareness programs on Social issues)	Schedule VII / item No X Rural development projects	1. The project was implemented in local area 2. Area of programme: Tamil Nadu, District Ariyalur and Tiruchirapalli; Karnataka, District Belgaum; Andhra Pradesh, District Kadapa; Meghalaya, District Jaintia Hills; Assam, District Nagaon and Dimahasao				
7	Protection of National heritage (Restoration of Caves)	Schedule VII / item No V Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts	1. The project was implemented in local area 2. Area of programme: Meghalaya, District Jaintia Hills				
	Overhead			0.45	0.24	0.24	
	Total			3.45	1.96	1.96	

Remarks -

1. The above mentioned expenditures for the year 2014-15 is based out of an audited statement of expenses.
2. Item no I, iii, v & x mentioned in serial no 4 to 7 are covered under social development head of CSR.

ANNEXURE 5

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)

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

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

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

	1	2	3
(a) Name(s) of the related party and nature of relationship	Dalmia Bharat Limited (Holding Company)	Dalmia Bharat Limited (Holding Company)	DCB Power Ventures Limited (Associate Company)
(b) Nature of contracts/arrangements/transactions	Payment of Brand fees	Payment of Corporate Service Charges	Lease rent paid
(c) Duration of the contracts/arrangements/transactions	10 years effective 1-4-2010	10 years effective 1-4-2010	Financial year from 1-4-2014 to 31-3-2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Fees in respect of "Dalmia" Brand licensed from the Holding Company for use in its cement products at ₹ 1/- per bag subject to a maximum of ₹ 10.00 crores in first year as increased by 5% for each subsequent year. Value: ₹ 12.16 crores for the financial year.	Allocation of all expenses for availing corporate office services with mark up of 15% on basis of value added. Direct expenses on project supervision costs on time spent besides direct costs at actuals. Value: ₹ 0.77 crores for the year under review.	As per agreement dated 11-2-2011 whereby the Company took on lease two power plants, one situated at Dalmiapuram (18 MW) and the other situated at Ariyalur (27 MW) on a monthly lease rental of ₹ 2.95 crs and the agreement dated 4-5-2015 for a plant at Dalmiapuram (27 MW) effective from 15-3-2015 at a monthly rental of ₹1.59crs Value: ₹ 36.27crores
(e) Date(s) of approval by the Board, if any	15-11-2010, 14-5-2014 and 30-7-2014	15-11-2010, 14-5-2014 and 30-7-2014	9-2-2011, 14-5-2014,30-7-2014 and 27-1-2015
(f) Amount paid as advances, if any	NIL	NIL	NIL

G.N.Bajpai
Chairman

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE 6

FORM NO MR 3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31.03.2015

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

To

The Members,

Dalmia Cement (Bharat) Limited.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dalmia Cement (Bharat) Limited (herein after called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Dalmia Cement (Bharat) Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 complied with the statutory provisions listed here under 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Dalmia Cement (Bharat) Limited ("The Company") for the financial year ended 31.03.2015 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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and the 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;
 - 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;
 - 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; and
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

DALMIA CEMENT (BHARAT) LIMITED

(vi) And other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972, Mines and Minerals (Regulation and Development) Act, 1957.

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

- (1) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (2) The Listing Agreements (Debt Instruments) entered into by the Company with National Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

I 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 atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were passed unanimously.

I 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 compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has:

1. Amended the Articles of Association to comply with the provisions of Section 149(1), Section 152(6) and Section 152(7) of The Companies Act, 2013 regarding retirement of Directors and also to increase the maximum number of Directors to 15.
2. Revised the Managerial Remuneration to two Managing Directors, Mr. Gautam Dalmia and Mr. PuneetYadu Dalmia and the requisite procedures including Central Government approvals have been obtained.
3. Appointed Four Independent Directors in compliance with Section 149(6) of The Act during the year. Appointed a Women Director in compliance with proviso to Section 149(1) of The Act by appointing her as an Additional Director through Board Resolution by Circulation.
4. Fully acquired the shares of Bokaro Jaypee Cement Limited in accordance with Section 179(3)(e), Section 179(3)(j) and Section 186 of The Act during the year through its ultimate subsidiary-ShriRangam Securities & Holdings Limited.
5. Acquired the shares of OCL India Limited in accordance with Section 179(3) (j), Section 186 and Section 188 of The Act during the year.
6. Issued Privately Placed Non-Convertible Debentures to the extent of ₹ 215 crores (subsequently redeemed during the year), ₹ 210 crores and ₹ 1000 crores during the year.
7. De allocated the Coal block from Khappa Coal Company Private Limited which was already allocated during the year.

Place: New Delhi
Date: 12.05.2015

R. Venkatasubramanian
Practising Company Secretary

ACS No. 3673 ; CP No. 3893.
Unique Code. I2001TN216300

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE - A

To

The Members

Dalmia Cement(Bharat) Limited.

My report of even date is to be read along with this letter:

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

Place: New Delhi

Date:12.05.2015

R.Venkatasubramanian
Practising Company Secretary

ACS No. 3673 ;CP No. 3893.
Unique Code.I2001TN216300

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE - 7

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO AND EARNINGS

(A) Conservation of energy:

i. The steps taken or impact on conservation of energy;

- (a) Coal mill nozzle ring modification
- (b) Kiln Feed LSF reduction
- (c) RVRM fan flow optimization and false air reduction
- (d) CVRM internal modification
- (e) Utility power consumption reduction
- (f) Compressor power reduction
- (g) Power saving achieved (@ 1.94 Units/MT of clinker) through measures including process optimization and Compressed Air.
- (h) Modification of internals in Cement - VRM in achieving productivity & power saving.
- (i) Water Conservation @ 1000 Cu.M/Day.
- (j) Increase in cooler recuperation efficiency in Line-2 from 63% to 69%.
- (k) Exclusive teams to focus on Energy conservation, Fuel conservation, Water conservation and Compressed air optimization

ii. The steps taken by the Company for utilising alternate sources of energy;

- (a) Use of Alternative Fuels established in Kilns (@ 11.6 %) with in house modification
- (b) Replacement of Raw mill & cement mill impeller Fans.
- (c) Increased use of Low cost fuel (lignite and Pet coke) in Kilns and power plant.
- (d) Increased high sulphur pet-coke usage in Kilns and power plant.
- (e) Installation of LED Light fittings in Line -I & II cooler's and in Railway siding area.
- (f) Increased use of solid Alt fuel in Kiln
- (g) Increased use of Petroleum coke
- (h) 100% use of Pyrolysis Oil in Cement Mill
- (i) Lower power consumption by using VFD

iii. The capital investment on energy conservation equipments;

- (a) Investment in Coal mill booster fan (Higher capacity) to increase production and lignite consumption
- (b) Pyro jet burner for Line-2

(B) Technology absorption :

i. The efforts made towards technology absorption;

- (a) Modification of CVRM feed chute
- (b) Modification of Nozzle ring seal gap

DALMIA CEMENT (BHARAT) LIMITED

- (c) Installation of Turbo Blowers for Coal Conveying in both the lines
 - (d) Installation of Coriolis feeder in both the Lines
 - (e) Installation of inlet and outlet ITECA seal in Line-1 kiln; and outlet ITECA seal in Line-2 kiln.
 - (f) Installation of weigh feeders in coal mills in Line-2
 - (g) Successful utilization of 100% Pet Coke to reduce the fuel cost Usage of 18.58% alternate fuels consistently for last year.
 - (h) Installation of the bag slitting Machine and Blower to increase the solid Alt fuel consumption & Modification of the Raw Mill dense weigh system for unloading the Solid Alt Fuel and feeding to PC
 - (i) Replacement of high efficient Fan Impeller to reduce the power consumption.
- ii. The benefits derived like product improvement, cost reduction, product development, import substitution;**
- (a) Reduction of CVRM specific power consumption
 - (b) Reduction of Raw & Cement Mill specific power consumption
 - (c) Energy and Thermal conservation
 - (d) Increased mill availability and measuring accuracy
 - (e) Reduction in mechanical break downs and improvement in operational efficiency.
- iii. No technology has been imported for the last three years.**
- iv. The expenditure incurred on Research and Development**

	(₹ /Crores)
a) Capital	NIL
b) Recurring	NIL
c) Contribution/Expenditure on Research and Development	NIL
Total	NIL
d) Total R &D Expenditure as a percentage of turnover	NIL

Above excludes material and other costs.

(C) Foreign exchange earnings and Outgo

Total foreign exchange used and earned during the year:

- (i) Used: ₹ 8.46 crores (ii) Earned: ₹ 10.72 crores

DALMIA CEMENT (BHARAT) LIMITED

ANNEXURE 8

Details pertaining to remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2014-15, ratio of remuneration of each Director to the median remuneration of the employees of the Company are as under:

Name of the Director/KMP and Designation	Remuneration of Director/KMP for the FY 2014-15 ₹ in crores	Ratio of remuneration of each Director to median remuneration of employees of the Company	% increase in the remuneration in the FY 2014-15
Mr. G.N. Bajpai Chairman, Non-Executive Independent	0.32	9.00	1677.77
Mr. N.Gopaldaswamy Non-Executive Independent	0.13	3.57	876.92
Mr. Y.H. Dalmia Non-Executive	0.03	0.70	212.50
Mr. Sanjay Nayar Non-Executive	0.12	3.46	515.00
Mr. Gautam Dalmia Managing Director	2.45	68.90	8.27
Mr. Puneet Yadu Dalmia Managing Director	2.56	71.78	11.55
Mr. Mahendra Singhi Whole-time Director	12.89	362.01	#
Mr. T. Venkatesan Deputy Managing Director	##	##	##
Mr. Rajeev Gupta Non-Executive Independent	0.18	4.97	2112.50
Mr. J.H. Dalmia Non-Executive	0.03	0.70	316.67
Mr. Paul Heinz Hugentobler Non-Executive Independent	0.21	5.96	*
Mr. Asanka Rodrigo Non-Executive Independent	0.01	**	**
Mrs. Sudha Pillai Non-Executive Independent	-	***	***
Mr. Jayesh Doshi Chief Financial Officer	##	##	##
Ms. Manisha Bansal Company Secretary	##	##	##

DALMIA CEMENT (BHARAT) LIMITED

Note: The increase in the remuneration of Non-Executive Directors and Independent Directors has been due to the increase in sitting fees and payment of commission on the net profits (which has been shared by the Independent Directors). There was no commission paid in the previous year.

Details not given as Mr. Mahendra Singhi was appointed as Whole-time Director for part of the year in 2013-14.

Details not given as Mr. T.Venkatesan, Mr. Jayesh Doshi and Ms. Manisha Bansal are drawing salary from Dalmia Bharat Limited, the Holding Company of the Company.

* Details not given as Mr. Paul Heinz Hugentobler was appointed as Director w. e. f. 14-5-2014.

** Details not given as Mr. Asanka Rodrigo was a Director only for part of the Financial Year 2014-15, i.e. resigned w. e. f. 15-5-2014.

*** Details not given as Mrs. Sudha Pillai was a Director only for part of the Financial Year 2014-15, i.e. appointed on 30-3-2015.

2. The Median remuneration of employees of the Company during the financial year was ₹ 3,55,679. The percentage increase in the median remuneration of employees in the financial year was 12%.

3. The number of permanent employees on the rolls of the Company at the end of the financial year was 1860 including Key Managerial Personnel and Executive Directors.

4. Relationship between average increase in remuneration and Company performance:-

The average increase in remuneration is based on the trend prevailing in similar type of Companies whereas the profit before tax during the financial year 2014-15 has increased by 235%.

5. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The remuneration of the Managing Directors is based on the approval of the Central Government under section 197 of the Companies Act, 2013. The remuneration of other Key Managerial Person other than the Deputy Managing Director, Chief Financial Officer and the Company Secretary who are paid remuneration by the Holding Company has not undergone any increase during the financial year 2014-15 while the Profit before tax has increased by 235%.

6. (i) Market capitalisation of the Company cannot be worked out as the shares of the Company are not listed. The net worth of the company at the close of the current financial year is ₹ 2,958.51 crores whereas for the previous financial year it was ₹ 2,898.25 crores.

(ii) As stated above as the shares are unlisted the Price Earnings Ratio for both the years cannot be worked out.

(iii) The Company has not come out with any public offer of shares hence the question of furnishing the details of increase over/ decrease in the market quotation of the shares of the Company as compared to the rate at which the Company came out with the last public offer does not arise.

7. The average percentage increase in the salaries of employees other than the managerial personnel was 12% during the financial year 2014-15 and the average increase in the remuneration of managerial personnel during the said financial year was 7%.

8. The Remuneration paid to Mr. Gautam Dalmia, Managing Director has increased by 8.27% and the remuneration paid to Mr. Puneet Yadu Dalmia, Managing Director has increased by 11.55% during the

DALMIA CEMENT (BHARAT) LIMITED

financial year 2014-15 while the profit before tax during the said financial year has increased by 235%. The remuneration of other Key Managerial Person other than the Deputy Managing Director, Chief Financial Officer and the Company Secretary who are paid remuneration by the Holding Company has not undergone any increase during the financial year 2014-15.

9. The remuneration paid to Non-Executive Independent Directors included sharing the profits of the Company paid by way of Commission. While in the case of Managing Directors, there is no variable component.
10. 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.
11. It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.