

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Nuvoco Vistas Corporation Limited (formerly "Lafarge India Limited")

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Nuvoco Vistas Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the



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accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Other Matters

- a) The standalone Indian GAAP financial statements of the Company for the year ended 31 March 2016, were audited by another auditor whose report dated 3 June 2016 expressed an unmodified opinion on those statements.
- b) The comparative financial information of the Company for the year ended 31 March, 2016 and the transition date opening balance sheet as at 1 April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the



predecessor auditor whose reports for the year ended 31 March 2015 and 31 March 2016 dated 9 June 2015 and 3 June 2016 respectively expressed an unmodified audit opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) In our opinion, there are no matters that may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Notes 25 and 47 to the standalone Ind AS financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 50.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MZSK & Associates

Chartered Accountants

Firm Registration No. 105047W

  
Vishal Vilas Divadkar

Partner

Membership No. 118247

Place : Mumbai

Date : 22/05/17



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**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATION LIMITED (FORMERLY "LAFARGE INDIA LIMITED")**

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

We have audited the internal financial controls over financial reporting of Nuvoco Vistas Corporation Limited ("the Company"), as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MZSK & Associates  
Chartered Accountants  
Firm Registration No. 105047W

Vishal Vilas Divadkar  
Partner

Membership No: 118247

Place : Mumbai

Date : 22/05/17



### ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of on the standalone financial statements for the year ended March 31, 2017]

- i.
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The management has a planned programme for verifying the fixed assets once in every three years, which in our opinion is reasonable having regard to the size of the company and nature of its assets. Fixed assets have not been physically verified by the management during the year since the same were verified during the previous year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, other than self-constructed building are held in the name of the Company except for some freehold land and leasehold land as under:

No. of cases	Leasehold/ Freehold	Gross Block as at 31 <sup>st</sup> March, 2017 (Amount in Rs. Crores)	Net Block as at 31 <sup>st</sup> March, 2017 (Amount in Rs. Crores)	Remarks
1.	Leasehold land	7.10	7.10	
2.	Freehold land	213.46	206.06	Out of this we have not been made available original title deeds aggregating to Rs. 14.13 Crores

- ii. The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.



- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. Further, in our opinion and according to the information and explanations given to us, there are no loans and advances given, investments made and guarantees given by the Company in accordance with section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act related to manufacture of cement, ready mix concrete and aggregates and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- According to the information and explanation given to us, no undisputed amounts in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it were in arrears, as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and any other statutory dues which have not been deposited on account of any dispute except for:





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Name of the statute	Nature of dues	Amount Rs. (in Crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Central Excise Act, 1944	Differential excise duty on MRP value	82.15	2009-10	Various Appellate authorities	
	Disallowance of Cenvat credit on goods/ services	17.97	2001-02 to 2014-15	Various Appellate authorities	Amount is net of protest payment made of Rs. 8.12 cr
	Excise Duty/ Additional excise duty on NFR Sales	63.76	2002-03 & 2007-08 to 2009-10 & 2011-12 to 2015-16	Various Appellate authorities	Amount is net of protest payment made of Rs. 0.1 cr
	Other Excise Dues	2.36	2010-11 to 2013-14	Various Appellate authorities	Amount is net of protest payment made of Rs. 0.44 cr
The Central Sales Tax Act, 1956	Central Sales Tax	4.34	2000-01, 2003-04 to 2007-08 & 2010-11 to 2011-12	Various Appellate authorities	Amount is net of protest payment made of Rs. 6.54 cr
Various State Sales Tax Act	Sales Tax	27.04	1999-2000 to 2006-07 and 2008-2009 to 2013-2014	Various Appellate authorities	Amount is net of protest payment made of Rs. 22.30 cr
Various State Entry Tax Act	Entry Tax	65.12	2000-01 to 2015-16	Various Appellate authorities	Amount is net of protest payment made of Rs. 9.1 cr
Various State VAT Tax Act	Value Added Tax	12.19	2008-2009 to 2014-15	Various Appellate authorities	Amount is net of protest payment made of Rs. 0.16 cr



The Customs Act, 1961	Customs Duty	14.44	1996-97 to 1998-99	Assistant Commissioner Customs, Mumbai	
Finance Act, 1994	Service Tax liability on income earned from own your wagon Scheme	0.89	2009-2019 to 2014-15	Various Appellate authorities	
	Service Tax - Outdoor Catering/ Cargo handling, etc.	0.11	2002-03 to 2005-06	Various Appellate authorities	Amount is net of protest payment made of Rs. 0.009 cr
	Service Tax Liability on VSAT charges	3.34	2010-11 to 2014-15	Addl. Commissioner, Kolkata	
	Non-Payment of Service Tax on account of gross up	0.30	2009-2015	Various Appellate authorities	
	Non-Payment of Service Tax on consideration received from Parent Company towards reimbursement of rent for using common space on cost sharing basis	0.33	2009-2014	Asst. Commissioner of Service Tax, Mumbai	Amount is net of protest payment made of Rs. 0.63 cr
Chattisgarh Adhinyam Act 1981	Energy Development Cess	2.41	2005-06 to 2015-16	Supreme Court	
Chattisgarh (Adhosanrachana, Vikas Avam Paryavaran) Upkar Adhinyam, 2005	Infrastructure & Environment Development Cess	1.39	2013-14, 2014-15 & 2015-16	High Court, Bilaspur	
Rajasthan Finance Act, 2008	Environment Cess	6.87	2012-13 to 2014-15	High Court, Jodhpur	

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the



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information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

- xii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, except in case of Nirchem Cement Limited which made a private placement of fully convertible debentures during the year pre-merger with the Company and has complied with the requirements of section 42 of the Act. The amount raised has been used for the purposes for which they were raised.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvii. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MZSK & Associates  
Chartered Accountants  
Firm Registration No. 105047W

Vishal Vilas Divadkar  
Partner  
Membership No. 118247



Place : Mumbai

Date : 22/05/17

**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Balance Sheet as at 31 March, 2017**

(All amounts are in INR crores, unless otherwise stated)

Particulars	Note No.	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
(a) Property, plant and equipment	2	5,087.32	3,646.66	3,583.82
(b) Capital work-in-progress		127.98	111.65	246.77
(c) Investment property	3	1.43	1.51	1.59
(d) Goodwill	4	2,443.86	549.59	549.59
(e) Other intangible assets	4	1,383.38	16.47	19.65
(f) Intangible assets under development		15.16	12.58	-
(g) Financial assets				
(i) Investments	5	0.05	0.05	-
(ii) Loans	6	-	-	0.12
(iii) Other non-current financial assets	7	128.81	77.84	127.69
(h) Other non current assets	8	423.87	279.12	296.17
		<b>9,611.86</b>	<b>4,695.47</b>	<b>4,827.40</b>
<b>CURRENT ASSETS</b>				
(a) Inventories	9	361.04	458.19	440.25
(b) Financial assets				
(i) Current investments	10	412.19	-	-
(ii) Trade receivables	11	444.22	523.37	458.19
(iii) Cash and cash equivalents	12	71.75	171.39	294.40
(iv) Other bank balances	13	5.18	-	3.96
(v) Loans	14	1.99	3.48	3.66
(vi) Other current financial assets	15	100.31	88.00	70.58
(c) Other current assets	16	276.88	253.15	243.56
		<b>1,673.56</b>	<b>1,497.58</b>	<b>1,514.60</b>
<b>TOTAL ASSETS</b>		<b>11,285.42</b>	<b>6,193.05</b>	<b>6,342.00</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	17	150.00	456.41	456.41
(b) Other equity		3,798.95	3,748.38	3,518.41
		<b>3,948.95</b>	<b>4,204.79</b>	<b>3,974.82</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
(a) Financial liabilities				
(i) Borrowings	18	4,298.46	150.00	300.00
(ii) Other non-current financial liabilities	19	0.76	7.67	8.50
(b) Provisions (non-current)	20	48.65	27.83	28.72
(c) Deferred tax liabilities (net)	21	1,224.38	126.89	41.11
		<b>5,572.25</b>	<b>312.39</b>	<b>378.33</b>
<b>CURRENT LIABILITIES</b>				
(a) Financial liabilities				
(i) Borrowings	22	15.92	152.50	506.96
(ii) Trade payables	23	739.99	626.09	588.35
(iii) Other current financial liabilities	24	399.60	401.47	424.69
(b) Provisions (current)	25	276.50	250.15	200.36
(c) Other current liabilities	26	332.21	245.66	268.49
		<b>1,764.22</b>	<b>1,675.87</b>	<b>1,988.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,285.42</b>	<b>6,193.05</b>	<b>6,342.00</b>
<b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>	1			

The accompanying notes are an integral part of these financial statements

As per our report of even date

For MZSK & Associates  
 Chartered Accountants  
 Firm Registration No. 105047W

Vishal Vilas Divadkar  
 Partner  
 Membership No. 118247

Place : Mumbai  
 Date : 22 May 2017



For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Ujjwal Khatwa  
 MD & Executive CEO  
 DIN: 07211283

Ajay Singh  
 Company Secretary

Place : Mumbai  
 Date : 22 May 2017

Suketu Nareshbhai Shah  
 Director  
 DIN: 07211283



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Statement of Profit and Loss for the year ended 31 March 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

Particulars	Note No.	2016-17	2015-16
<b>INCOME</b>			
Revenue from operations	27	5,832.46	5,958.16
Other income	28	29.27	39.09
<b>Total Income</b>		<b>5,861.73</b>	<b>5,997.25</b>
<b>EXPENSES</b>			
Cost of materials consumed	29	1,111.99	1,111.42
Purchase of stock in trade	30	14.01	10.21
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	27.59	(30.99)
Power and fuel		847.17	889.03
Freight and forwarding charges		1,361.40	1,372.25
Excise duty on sale of goods		675.48	679.63
Employee benefits expense	32	289.97	300.10
Depreciation and amortization expense	34	312.52	250.46
Finance costs	35	231.17	87.90
Other expenses	33	776.48	912.87
<b>Total expenses</b>		<b>5,647.78</b>	<b>5,582.88</b>
<b>Profit before exceptional items and tax</b>		<b>213.95</b>	<b>414.37</b>
Exceptional items	54	17.81	42.87
<b>Profit before tax</b>		<b>196.14</b>	<b>371.50</b>
<b>Tax expense:</b>			
1. Current Tax (MAT)	37	57.01	53.60
2. MAT credit entitlement	37	(57.01)	(53.60)
3. Deferred tax (excluding MAT credit entitlement)	37	123.75	140.81
4. Tax expense relating to earlier years	37	(93.28)	(0.16)
<b>Total tax expense</b>		<b>30.47</b>	<b>140.65</b>
<b>Profit after tax</b>		<b>165.67</b>	<b>230.85</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>I Items that will not be reclassified to statement of profit and loss</b>			
i. Remeasurements gain/(losses) of post-employment benefit obligation		0.19	(4.12)
ii. Income tax related to above		(0.07)	1.43
		<b>0.12</b>	<b>(2.69)</b>
<b>II Items that will be reclassified to statement of profit and loss</b>			
i. Deferred gain/(losses) on cash flow hedge		0.09	2.77
ii. Income tax related to above		(0.03)	(0.96)
		<b>0.06</b>	<b>1.81</b>
<b>Other comprehensive income for the year</b>		<b>0.18</b>	<b>(0.88)</b>
<b>Total comprehensive income for the year</b>		<b>165.85</b>	<b>229.97</b>
<b>Earnings per equity share</b>			
1. Basic (INR)	36	2.08	5.06
2. Diluted (INR)		2.08	5.06
<b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>			
	1		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For MZSK & Associates  
Chartered Accountants  
Firm Registration No. 105047W

Vishal Vilas Divadkar  
Partner  
Membership No. 118247

Place : Mumbai  
Date : 22 May 2017



For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited  
CIN: U26940MH1999PLC118229

Ujjwal Bhatia  
MD & Country CEO  
DIN: 01737515

Ajay Singh  
Company Secretary

Place: Mumbai  
Date: 22 May 2017

Suketu Nareshbhai Shah  
Director  
DIN: 07211283



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Statement of Cash Flows for the year ended 31 March 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	2016-17	2015-16
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	196.14	371.50
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	312.52	250.46
Unrealised foreign exchange (gain)/ loss (Net)	(0.54)	1.41
Provision for bad/doubtful debts and advances	5.50	7.83
Bad debts	0.00	0.01
Provision for indirect taxes / legal cases	16.20	51.39
Provision/liabilities no longer required, written back	(27.21)	(81.24)
Property, Plant & Equipment/CWIP written off	7.27	9.88
Profit on sale of Property, Plant & Equipment (net)	-	(0.28)
Gain on sale of current investments	(14.19)	(13.02)
Fair value gain on financial instruments at fair value through profit and loss	(2.22)	(1.22)
Stores and spares written off	-	10.54
Interest income on bank deposits	(3.10)	(15.60)
Interest income on others	(4.15)	(3.56)
Finance costs	231.17	87.90
	<b>717.39</b>	<b>676.00</b>
<b>Operating profit before working capital adjustments:</b>		
<b>Adjustments for working capital :</b>		
(Increase)/ Decrease in Inventories	97.15	(28.48)
(Increase)/ Decrease in trade and other receivables	73.64	(73.02)
(Increase) / Decrease in loans and advances and other non current assets	(140.18)	23.34
Increase in trade / other payables, provisions and other liability	233.94	112.98
	<b>981.94</b>	<b>710.82</b>
Income Tax paid (Net)	(59.72)	(50.91)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>922.22</b>	<b>659.91</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase and construction of property, plant and equipment	(141.37)	(228.22)
Proceeds from disposal of fixed assets	-	0.43
Investment in subsidiary	-	(0.05)
Purchase of current investments	(2,366.26)	(2,414.50)
Proceeds from sale of current investments	1,970.48	2,427.52
Loans given during the year	1.76	(0.69)
Interest received	6.44	20.40
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(528.95)</b>	<b>(195.11)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(300.00)	(500.00)
Interest paid	(203.49)	(91.77)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(503.49)</b>	<b>(591.77)</b>
Net decrease in cash and cash equivalents (A+B+C)	(110.22)	(126.97)
Cash and cash equivalents at the beginning of the year	171.39	298.36
Additions through amalgamation	15.76	-
Cash and cash equivalents at the end of the year (Refer note 12 and 13) *	<b>76.93</b>	<b>171.39</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>		
Cash and Bank Balances as per Balance Sheet [Note 12 & 13]		
Cash on hand	0.05	0.10
Cheques/drafts on hand	2.96	49.90
Bank balances (including bank deposits)	73.92	121.39
<b>Cash and Cash equivalents as restated as at the year end</b>	<b>76.93</b>	<b>171.39</b>

**Notes :**

\* Includes cash collateral of Rs. 5.18 crore (Previous year Nil) as at the balance sheet date maintained by the Company for collateral of disputed indirect tax cases.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

For MZSK & Associates  
Chartered Accountants  
Firm Registration No. 115047/V

Vishal Vilas Dhadkar  
Partner  
Membership No. 118247



Ujjwal Bhatnagar  
MD & Country CEO  
DIN: 01737515

Ajay Singh  
Company Secretary

Suketu Nareshbhai Shah  
Director  
DIN: 07211283



Place: Mumbai  
Date: 22 May 2017

Place: Mumbai  
Date: 22 May 2017

**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

**Statement of Changes in Equity for the year ended 31 March 2017 (SOCIE)**

(All amounts are in INR crores, unless otherwise stated)

	31-Mar-17		31-Mar-16		01-Apr-15	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Share Capital</b>						
Balance at the beginning of the reporting period	456,412,778	456.41	456,412,778	456.41	456,412,778	456.41
Cancellation of equity shares per merger scheme (Refer note 51)	(456,412,778)	(456.41)	-	-	-	-
Issue of new equity shares per merger scheme (Refer note 51)	150,000,000	150.00	-	-	-	-
Balance at the end of the reporting period	150,000,000	150.00	456,412,778	456.41	456,412,778	456.41

Particulars	Reserves and Surplus							Items of OCI		Equity component of compound instrument	Total	
	Capital reserve	Capital reserve on amalgamation (Refer note 51)	Securities premium	Capital redemption reserve	Debt redemption reserve	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 49(1C) of RBI Act	Retained earnings			Cash Flow hedge reserve (Refer note 43)
Balance as at 1 April 2015	37.33	-	1,326.56	23.33	61.98	2.53	90.00	0.01	1,978.60	(1.93)	-	3,518.41
Profit for the year	-	-	-	-	-	-	-	-	230.85	-	-	230.85
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	(2.69)	1.81	-	(0.88)
Total comprehensive income	-	-	-	-	-	-	-	-	228.16	1.81	-	229.97
Transfer to Debt redemption reserve from retained earning	-	-	-	-	25.52	-	-	-	(25.52)	-	-	-
Transfer from Debt redemption reserve to retained earning	-	-	-	-	(87.50)	-	-	-	87.50	-	-	-
Balance at 31 March, 2016	37.33	-	1,326.56	23.33	-	2.53	90.00	0.01	2,268.74	(0.12)	-	3,748.38
Profit for the year	-	-	-	-	-	-	-	-	165.67	-	-	165.67
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	0.12	0.06	-	0.18
Total comprehensive income	-	-	-	-	-	-	-	-	165.79	0.06	-	165.85
Amalgamation of Nirchem Cement Limited (Refer note 51)	-	(1,053.75)	-	-	-	-	-	-	4.31	-	934.16	(115.28)
Transfer to Debt redemption reserve from retained earning	-	-	-	-	183.00	-	-	-	(183.00)	-	-	-
Balance at 31 March, 2017	37.33	(1,053.75)	1,326.56	23.33	183.00	2.53	90.00	0.01	2,255.84	(0.06)	934.16	3,798.95

The accompanying notes are an integral part of these financial statements

As per our report of even date

for MZSK & Associates

Chartered Accountants

Firm Registration No. 10507

Member No. 118247

Partner

Vishal Vilas Devadkar

Member No. 118247

Place: Mumbai



For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited  
CIN: U26940MH1999PLC118229

Ujjwal  
MD & Country CEO  
DIN: 0173515

Sujeet Nareshbhai Shah  
Director  
DIN: 07211283



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

**A. Company Information**

Nuvoco Vistas Corporation Limited (Formerly known as Lafarge India Limited) ("the Company") is a limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The registered office is located at Equinox Business Park, Tower-3, 4th Floor, LBS Marg, Off BKC, Kurla (West), Mumbai – 400070. The Company is principally engaged in the business of manufacturing and sale of Cement and Ready Mix along with trading and manufacturing of Aggregates. The Company caters mainly to the domestic market.

The financial statement of the Company for the year ended 31<sup>st</sup> March, 2017 was authorized for issue in accordance with a resolution of Directors on 22nd May, 2017.

**B. Summary of significant accounting policies**

**a) Basis of preparation**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act. The financial statements up to year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended), notified under section 133 of the Act and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1 April, 2015. Refer note 58 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

These are separate financial statements of the Company as per Ind AS 27. The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities (including derivative financial instruments)
- defined benefit plans – plan assets measured at fair value

**b) Revenue recognition**

**Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts, incentives and volume rebates. It includes excise duty and excludes value added tax/sales tax.





**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

**Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

**Dividends**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

**c) Property, plant and equipment**

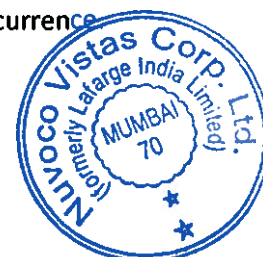
Freehold land is carried at historical cost, except the freehold land used for mining. All other items of property, plant and equipment are stated at acquisition cost of the items net of depreciation and impairment losses (if any). Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Items of spare parts that meets the definition of 'property, plant and equipment' is recognised as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress ('CWIP') is stated at cost, net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as CWIP and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

The Company has a policy of capitalising overburden cost if the overburden removal exceeds normal annual overburden removal by more than 50% and the total amount of stripping cost related to excess removal is more than Rs. 0.50 Crores.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**Depreciation methods, estimated useful lives and residual value**

Depreciation (other than on mining land) is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been determined based on technical evaluation which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The useful lives so determined are as follows:

Asset Type	Useful life (in years)
Buildings and roads	5 to 50
Plant and machinery	1 to 30
Railway sidings and locomotives	30
Office equipment	5 to 10
Vehicles	5
Furniture and fixtures	5 to 10
Leasehold land	Over the lease period
Mining land	Amortised on the unit of production method based on extraction of limestone from mines

Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Cost of lease-hold land is amortized equally over the period of lease.

Residual values, useful life of assets and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year.

**d) Investment property**

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date i.e. 1 April 2015.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

The Company, based on management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

**e) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the intangible assets.

**Amortisation methods, estimated useful lives and residual value**

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable, except for mining rights

The useful lives of intangible assets are assessed as either finite or indefinite. The useful lives so determined are as follows:



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

Asset Type	Useful life (in years)
Mining Rights	Amortised on the unit of production method based on extraction of limestone from mines but restricted upto the lease period (in case of Leasehold Land)
Supplier agreement	(Finite) Upto the validity of the Contract
Trademark	(Finite) 10
Software	(Finite) 5

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level, and whenever there is an indication that the intangible asset may be impaired. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

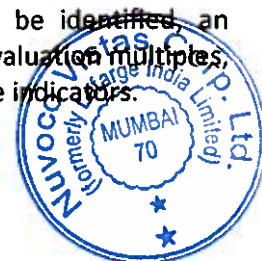
**f) Impairment of non-financial assets**

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) fair value less costs of disposal and its value in use. 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. When 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.

Recoverable amount is determined:

1. In case of individual asset, at higher of the fair value less cost to sell and value in use; and
2. In case of cash-generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover 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. In any case the growth rate does not exceed the long term average growth rate for the products/industries in which the entity operates.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

**g) Leases**

**Company as a lessee**

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**Company as a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**h) Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (Generally over twelve months) to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

**i) Financial instruments**

**A. Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized entire in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

**Financial asset at amortised cost**

A financial asset is measured at amortised cost if following two conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Financial assets at fair value**

**Debt instruments**

A debt instrument is classified as at fair value through OCI if following two conditions are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

Debt instrument included within the fair value through other comprehensive income are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

All other investment in debt instruments not measured at amortised cost or at FVTOCI as described above are measured at fair value through profit and loss.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration, recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit or loss. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the fair value through profit or loss category are measured at fair value with all changes recognised in the statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

1. The rights to receive cash flows from the asset have expired, or
2. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - a) the Company has transferred substantially all the risks and rewards of the asset, or
  - b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to financial statements for the year ended 31 March 2017**

**Impairment of financial assets**

The company assesses impairment based on expected credit loss (ECL) model to the following:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

**Financial liabilities**

**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings
3. Financial guarantee contracts





**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)  
Notes to financial statements for the year ended 31 March 2017**

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**B. Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)  
Notes to financial statements for the year ended 31 March 2017**

**C. Derivative financial instruments and hedge accounting**

**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

**Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the Initial



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carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**j) Investment in subsidiaries and joint ventures**

The Company accounts for investment in subsidiaries and Joint venture at Cost in its separate financial statements.

**k) Compulsorily Convertible Debentures:**

Compulsorily Convertible Debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 *Financial Instruments: Presentation* criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible debentures shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

**l) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When grants relates to an assets it is recognized as income in equal amounts over the expected useful life of the related asset.

**m) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss.



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Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

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

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

1. deductible temporary differences;
2. the carry forward of unused tax losses; and
3. the carry forward of unused tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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 taxes relate to the same 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. 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 income tax during the specified period.

**n) Inventories**

Inventories are valued at the lower of cost and Net Realisable Value (NRV).

**Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.



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**Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the actual level of production which approximates normal operating capacity, but excluding borrowing costs.

**Stores, spares and other supplies:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Items of stores and spares that does not meet the definition of 'property, plant and equipment' is recognised as a part of inventories.

**Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

**o) Employee benefits**

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Company also has additional death benefit scheme for specific set of employees. This death benefit scheme is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:



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- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**Other Long-term employee benefits**

Other long term employee benefits are recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation technique. Actuarial gains and loss in respect of other long term benefits are charged to the statement of profit and loss.

**p) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**q) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**r) Operating Segment:**

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**s) Provisions, Contingent liabilities, Contingent assets and Commitments:**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a



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separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**t) Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity 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 profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**u) Significant accounting estimates and judgments**

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



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**Notes to financial statements for the year ended 31 March 2017**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes together with the accounting policies:

- Note 39 - Current tax expense
- Note 40 - Measurement of defined benefit obligations
- Note 52 - Provisions and contingencies
- Note 4 – Impairment of assets (both financial and non-financial)
- Note 22 – Site restoration provision
- Note 44 - Fair value measurement of financial instruments
- Note 2 – Useful life of Property, plant and equipment
- Note 4 – Useful life of Other intangible assets

**v) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period,  
Or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period,  
Or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**w) Foreign currency translation**

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

**Transactions and balances**





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Transactions in foreign currencies are initially recorded at functional currency, using the foreign exchange rate at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

At each balance sheet date, foreign currency monetary assets and liabilities are translated at the functional currency using the foreign exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or the statement of profit and loss are also recognised in other comprehensive income or the statement of profit and loss, respectively).

**x) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability,  
Or
2. In the absence of a principal market, in the most advantageous market for the asset or liability.

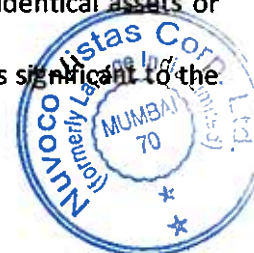
The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
2. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.



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3. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**y) Exceptional items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**z) Business combinations under common control**

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combined entity are reflected at their carrying amounts, the only adjustment that are made are to harmonize accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

**aa) Rounding off**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated. Any amount appearing as Rs.0.00 represents amount less than Rs.50,000.



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Notes to financial statements for the year ended 31 March 2017**

**bb) Standards issued but not yet effective and have not been adopted early by the Company**

**Ind AS 7, 'Statement of Cash Flows**

The Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 (the 'Amendment rules') on 17 March 2017, notifying amendment to Ind AS 7, 'Statement of Cash Flows'.

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

These amendments shall come into force on the 1st day of April, 2017 and Company shall apply the amendments in its financial statements for annual periods beginning on or after 1 April 2017.

During initial application of the amendment in Ind AS 7, Company will have to give reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.



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Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**2. Property, plant and equipment**

Description	Land - Freehold (a)	Land - Leasehold	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives (b)	Furniture & Fixtures	Office Equipment	Vehicles	Total
Cost as at 1 April 2015 (A) (Refer note c)	312.55	35.40	3.82	807.67	3,405.24	424.74	10.27	36.95	2.71	5,039.35
Additions	33.44	0.12	-	40.77	129.82	106.33	0.49	2.58	0.35	313.90
Disposals/adjustments	-	-	-	(8.54)	(8.49)	(13.94)	(0.11)	(7.05)	(0.04)	(38.17)
Cost as at 31 March 2016 (C)	345.99	35.52	3.82	839.90	3,526.57	517.13	10.65	32.48	3.02	5,315.08
Additions	1.99	0.28	-	5.93	48.76	1.69	0.01	0.20	0.24	59.10
Adjustment due to Business Combination (Refer note 51)	249.35	67.94	-	455.33	1,557.96	147.23	-	0.00	-	2,477.81
Disposals/adjustments	-	-	-	(0.07)	(9.19)	-	(2.81)	(2.14)	(0.11)	(14.32)
Cost as at 4 October 2016 (E)	597.33	103.74	3.82	1,301.09	5,124.10	666.05	7.85	30.54	3.15	7,837.67
Additions	2.54	(0.28)	-	5.32	36.79	-	0.21	1.55	0.25	46.38
Disposals/adjustments	-	-	-	(0.17)	(1.59)	(13.94)	(0.00)	(0.00)	-	(15.70)
Cost as at 31 March 2017 (G)	599.87	103.46	3.82	1,306.24	5,159.30	652.11	8.06	32.09	3.40	7,868.35
Accumulated depreciation as at 1 April 2015 (B)	8.02	7.68	2.54	195.35	1,102.60	106.90	5.73	25.15	1.56	1,455.53
Depreciation for the year	1.39	0.70	0.13	42.90	167.90	24.76	0.73	3.70	0.33	242.54
Disposals/adjustments	-	-	-	(6.79)	(3.70)	(12.29)	(0.08)	(6.75)	(0.04)	(29.65)
Accumulated depreciation as at 31 March 2016 (D)	9.41	8.38	2.67	231.46	1,266.80	119.37	6.38	22.10	1.85	1,668.42
Depreciation for the period	0.54	0.68	0.12	22.03	86.05	12.46	0.35	1.95	0.18	124.36
Adjustment due to Business Combination (Refer note 51)	-	(0.76)	-	186.31	609.38	72.69	-	-	-	867.62
Disposals/adjustments	-	-	-	(0.03)	(4.37)	-	(2.73)	(2.02)	(0.11)	(9.26)
Accumulated depreciation as at 4 October 2016 (F)	9.95	8.30	2.79	439.77	1,957.86	204.52	4.00	22.03	1.92	2,651.14
Depreciation for the period	0.54	0.58	0.04	18.47	116.75	11.12	0.36	1.52	0.22	149.60
Disposals/adjustments	-	-	-	(0.10)	(5.67)	(13.94)	(0.00)	0.00	-	(19.71)
Accumulated depreciation as at 31 March 2017 (H)	10.49	8.88	2.83	458.14	2,068.94	201.70	4.36	23.55	2.14	2,781.03
Net carrying amount as at April 1, 2015 (A)-(B)	304.53	27.72	1.28	612.32	2,302.64	317.84	4.54	11.80	1.15	3,593.82
Net carrying amount as at March 31, 2016 (C)-(D)	336.58	27.14	1.15	608.44	2,259.77	397.76	4.27	10.38	1.17	3,646.66
Net carrying amount as at October 4, 2016 (E)-(F)	587.38	95.44	1.03	861.32	3,166.24	461.53	3.85	8.51	1.23	5,186.53
Net carrying amount as at March 31, 2017 (G)-(H)	589.38	94.58	0.99	848.10	3,090.36	450.41	3.70	8.54	1.26	5,087.32

Notes:

a. Freehold land includes Rs. 0.59 Crore (31 March 2016 - Rs. 0.59 Crore, 1 April 2015 - Rs. 0.59 Crore) being used by third party.

b. Railway sidings & locomotives include assets given on lease to railways under "own your wagon scheme" amounting to Nil (31 March 2016 - Rs. 27.00 Crore, 1 April 2015 - Rs. 40.90 Crore)

c. The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition (i.e. 1 April 2015). Refer below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP:

Description	Land - Freehold #	Land - Leasehold	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives	Furniture & Fixtures	Office Equipment	Vehicles	Total
Gross Block	312.55	35.40	3.82	807.67	3,405.24	424.74	10.27	36.95	2.71	5,039.35
Accumulated Depreciation	-	7.68	2.54	195.35	1,102.60	106.90	5.73	25.15	1.56	1,447.51
Net Block*	312.55	27.72	1.28	612.32	2,302.64	317.84	4.54	11.80	1.15	3,591.84



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**Notes to financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

**3. Investment property**

Description	Amount
Cost as at 1 April 2015 (A)	1.59
Additions	-
Disposals/transfer	-
Cost as at 31 March 2016 (C)	1.59
Additions	-
Disposals/transfer	-
Cost as at 31 March 2017 (E)	1.59
Accumulated depreciation as at 1 April 2015 (B)	-
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2016 (D)	0.08
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2017 (F)	0.16
Net carrying amount as at 1 April 2015 (A)- (B)	1.59
Net carrying amount as at 31 March 2016 (C)- (D)	1.51
Net carrying amount as at 31 March 2017 (E)- (F)	1.43

For investment property existing as on the date of transition the company has used previous GAAP value as deemed cost. The Company has received independent broker's quote for purchase of the investment property at Rs. 1.59 crores (previous year Rs. 1.59 crores).

**4. Goodwill and Other intangible assets**

Description	Other Intangible Assets						Goodwill
	Software	Mining rights	Trade Mark	Non Compete Agreement	Suppliers Agreement	Total	
Cost as at 1 April 2015 (A) (Refer Note below)	39.85	17.81	10.00	71.90	-	139.56	1,401.23
Additions	2.32	2.34	-	-	-	4.66	-
Disposals/adjustments	(0.66)	-	-	-	-	(0.66)	-
Cost as at 31 March 2016 (C)	41.57	20.15	10.00	71.90	-	143.62	1,401.23
Additions	-	14.33	-	-	-	14.33	-
Adjustment due to Business Combination (Refer note 51)	-	862.07	496.66	-	17.78	1,376.51	1,894.27
Disposals/adjustments	(0.05)	-	-	-	-	(0.05)	-
Cost as at 4 October 2016 (E)	41.52	896.55	506.66	71.90	17.78	1,534.41	3,295.50
Additions	14.55	-	-	-	-	14.55	-
Disposals/adjustments	(0.00)	-	-	-	-	(0.00)	-
Cost as at 31 March 2017 (G)	56.07	896.55	506.66	71.90	17.78	1,548.96	3,295.50
Accumulated amortisation as at 1 April 2015 (B)	31.88	6.13	10.00	71.90	-	119.91	851.64
Amortisation for the period	6.26	1.58	-	-	-	7.84	-
Disposals/adjustments	(0.60)	-	-	-	-	(0.60)	-
Accumulated amortisation as at 31 March 2016 (D)	37.54	7.71	10.00	71.90	-	127.15	851.64
Amortisation for the period	0.61	0.77	-	-	-	1.38	-
Disposals/adjustments	(0.05)	-	-	-	-	(0.05)	-
Accumulated amortisation as at 4 October 2016 (F)	38.10	8.48	10.00	71.90	-	128.48	851.64
Amortisation for the period	0.75	9.30	24.83	-	2.22	37.10	-
Disposals/adjustments	-	-	-	-	-	-	-
Accumulated amortisation as at 31 March 2017 (H)	38.85	17.78	34.83	71.90	2.22	165.58	851.64
Net carrying amount as at 1 April 2015 (A)- (B)	7.97	11.68	-	-	-	19.65	549.59
Net carrying amount as at 31 March 2016 (C)- (D)	4.03	12.44	-	-	-	16.47	549.59
Net carrying amount as at October 4, 2016 (E)- (F)	3.42	888.07	496.66	-	17.78	1,405.93	2,443.86
Net carrying amount as at 31 March 2017 (G)- (H)	17.22	878.77	471.83	-	15.56	1,383.38	2,443.86

**Note:**

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition (i.e 1 April 2015). Refer below for the gross block value and the accumulated amortisation on April 1, 2015 under the previous GAAP.

Description	Gross Block	Accumulated Amortisation	Net Block*
Goodwill	1,401.23	851.64	549.59
Software	39.85	31.88	7.97
Mining Rights #	15.32	6.13	9.19
Trade Mark	10.00	10.00	-
Non Compete Agreement	71.90	71.90	-
Total	1,538.30	971.55	566.75

\* Considered as deemed cost at 1 April 2015

# There has been an adjustment on transition date. Refer note 56 on transition to IND-AS 101 for details.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**Impairment testing of goodwill with indefinite lives**

Goodwill pertains to the two CGUs below, which are also operating and reportable segments, for impairment testing:

- ▶ Cement CGU
- ▶ Ready Mix CGU

Carrying amount of goodwill pertains to each of the CGUs:

	Cement			RMX		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Goodwill	2017.85	123.58	123.58	426.01	426.01	426.01

The Company performed its annual impairment test for years ended 31 March 2017 and 31 March 2016 respectively and in accordance with IND AS 101 at the date of transition to IND AS i.e. 1 April 2015. No Goodwill impairment was deemed necessary as at 1 April 2015.

**I. Cement CGU**

The recoverable amount of the Cement CGU, Rs.4,450 Crs. as at 31-Mar-17, has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Cement. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 15.06% and cash flows beyond the five-year period are extrapolated using a 3.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the fair value less costs of disposal exceeded the value in use and hence there is no impairment.

**II. Ready Mix CGU**

The recoverable amount of the Ready mix CGU, Rs.689 Crs. as at 31-Mar-17, has been determined based on a value in use calculation using cash flow projections from financial budgets covering a five-year period. The projected cash flows have been updated to reflect the demand for Ready mix. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 15.06% and cash flows beyond the five-year period are extrapolated using a 3.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the fair value less costs of disposal exceeded the value in use and hence there is no impairment.

**Key assumptions used for value in use calculations**

The calculation of value in use for both units is most sensitive to the following assumptions:

- (1) Sales Growth rate
- (2) Raw Material price inflation
- (3) Market growth rate

**Sales Growth Rate** - Management expects a stable sales growth rate over the forecast period, the management further expects the Company position in relative to its competitors to strengthen following sales aggressive targets taken by the Company.

**Raw Material Price Inflation** Past material price movements are used as indicators of future price movements.

**Market growth rate** - Management expects the Company position in Cement & RMX business to be stable over the forecast period, the management further expects the Company position in relative to its competitors to strengthen following sales aggressive targets taken by the Company.

**Sensitivity to changes in assumptions**

The implications of the key assumptions for the recoverable amount are discussed below:

**Sales Growth Rate** - Management recognises the effect of new entrant and additional capacity expansion of existing competitors as not to have material adverse impact on the forecasts.

**Raw Material Price Inflation** - The management has considered the possibility of greater than forecast increases in raw material price inflation. This may occur if anticipated regulatory changes result in an increase in demand that cannot be met by suppliers. If prices of raw materials increase greater than the forecast price inflation, then the RMX CGU will have to pass on such increase to the customer, for Cement CGU raw material prices do not vary significantly.

**Market growth rate** - Based on industrial data and infrastructure growth action taken by the government, the Company is of the view that the growth rate will be higher than the forecast estimated by the Company.

While it is unlikely for all the above assumptions to move adversely together, it would require a significant increase/ decrease to result in an impairment charge.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>5. Non current investments</b>			
<b>Unquoted, valued at cost unless stated otherwise</b>			
<b>a. Investment in subsidiary company</b>			
50,000 (31 March 2016 - 50000, 1 April 2015 Nil) equity shares of Rs. 10/- each fully paid-up in Rima Eastern Cement Limited (formerly known as Lafarge Eastern India Limited)	0.05	0.05	-
<b>b. Investment in joint venture</b>			
861,300 (31 March 2016 - 861,300, 1 April 2015 - 861,300) equity shares of Rs. 10/- each fully paid up in Wardha Vaalley Coal Field Private Limited (Refer Note below)	0.86	0.86	0.86
Less: Provision for impairment	(0.86)	(0.86)	(0.86)
	<u>0.05</u>	<u>0.05</u>	<u>-</u>
<b>Note :</b>			
The Ministry of Coal had allotted a coal block in the state of Maharashtra to a consortium in which the Company is a member. The Company plans to carry out mining activities through Wardha Vaalley Coal Field Private Limited, a joint venture Company incorporated in India as a special purpose vehicle. The Company's ownership in the jointly controlled entity is 19.14%. The other owners in the joint venture being IST Steel & Power Limited (53.59%) and Ambuja Cements Limited (27.27%).			
In prior years, the allotment of the coal block has been cancelled and the Joint Venture (JV) company has been show caused for allegedly not achieving the progress milestones in the development of the mine. De-allocation of the coal block has been challenged before the Hon'ble Delhi High Court and the matter is sub-judice. The guarantees given by the JV has also been sought to be invoked but the same has been stayed by the Hon'ble Delhi High Court subject to the guarantee being kept alive. Subsequently such guarantee furnished by the company has been cancelled. (Refer note 47)			
<b>c. Investment in others</b>			
<b>i. Equity Investment (at FVTOCI)</b>			
1,925,924 (31 March 2016 - 1,925,924, 1 April 2015 - 1,925,924) Class A equity shares of Rs. 10/- each fully paid-up in VS Lignite Power Private Ltd.	1.93	1.93	1.93
<b>ii. Debt investment (at FVTPL)</b>			
4,828,298 (31 March 2016 - 4,828,298, 1 April 2015 - 4,828,298) 0.01% cumulative class A redeemable preference shares of Rs. 10/- each fully paid-up in VS Lignite Power Private Ltd.	4.83	4.83	4.83
Less: Provision for impairment	(6.76)	(6.76)	(6.76)
	<u>-</u>	<u>-</u>	<u>-</u>
<b>6. Loans</b>			
<b>Unsecured, considered good</b>			
Loans to related party	-	-	0.12
Sub total (a)	-	-	0.12
<b>Doubtful</b>			
Loans to related party#	1.07	1.07	-
Less: Provision for doubtful loans	(1.07)	(1.07)	-
Sub total (b)	-	-	-
<b>Total (a+b)</b>	<u>-</u>	<u>-</u>	<u>0.12</u>
<b># Represents intercorporate loan given to Wardha Vaalley Coal Field Private Limited for working capital requirements.</b>			
<b>7. Other non-current financial assets</b>			
<b>Unsecured, considered good</b>			
Deposits with govt. authorities and others	128.81	77.84	127.69
Sub total (a)	<u>128.81</u>	<u>77.84</u>	<u>127.69</u>
<b>Doubtful</b>			
Deposits with Govt. authorities and others	2.36	2.23	3.30
Less: Provision for doubtful deposits	(2.36)	(2.23)	(3.30)
Sub total (b)	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total (a+b)</b>	<u>128.81</u>	<u>77.84</u>	<u>127.69</u>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>8. Other non current assets</b>			
<b>Unsecured, considered good</b>			
Capital advances	46.22	51.15	66.96
Advances recoverable	0.33	0.52	1.34
Prepaid expenses	1.20	0.87	0.38
Loans/advances to employees	-	-	0.58
Balances with excise authorities	0.81	-	0.46
Industrial promotional assistance	228.78	173.84	173.18
Advance income-tax (net of provision for taxation)	146.53	52.71	55.27
Sub total (a)	423.87	279.12	298.17
<b>Doubtful</b>			
Capital advances	1.26	1.26	1.26
Less: Provision for doubtful advances	(1.26)	(1.26)	(1.26)
Sub total (b)	-	-	-
Advances recoverable	-	-	0.62
Less: Provision for doubtful advances	-	-	(0.62)
Sub total (c)	-	-	-
<b>Total (a+b+c)</b>	<b>423.87</b>	<b>279.12</b>	<b>298.17</b>
<b>9. Inventories</b>			
(Valued at cost or NRV whichever is lower)			
Raw materials (includes in transit and stock with third party Rs.6.30 crore (31 March 2016 - Rs.8.18 crore, 1 April 2015 - Rs.7.61 crore)	41.51	69.23	60.89
Work-in-progress (includes in transit Rs.8.55 crore (31 March 2016 - Rs.4.87 crore, 1 April 2015 - Rs.6.10 crore)	128.88	136.46	120.42
Finished goods (includes in transit - Rs. 0.96 (31 March 2016 - Rs.4.36 crore, 1 April 2015 - Rs.10.57 crore)	50.46	70.47	55.52
Stores and Spare Parts, Packing Material and Fuel (includes in transit and stock with third parties Rs. 11.05 crore (31 March 2016 - Rs.34.08 crore, 1 April 2015 - Rs.25.18 crore)	140.19	182.03	203.42
<b>Total</b>	<b>361.04</b>	<b>458.19</b>	<b>440.25</b>
<b>10. Current investments</b>			
Quoted, valued at fair value through statement of profit and loss			
<b>Investments in Mutual Funds</b>			
Reliance Liquid fund (1,778.68 Units)	0.70	-	-
SBI Premier Liquid fund (2,166.93 Units)	0.55	-	-
ICICI Pru Institutional Liquid Plan - St. Growth (3,783,533 Units)	90.86	-	-
HDFC Liquid Fund - Growth (190,682 Units)	61.01	-	-
Tata Liquid Fund - Regular Plan - Growth (230760.726 Units)	68.99	-	-
Birla Cash Plus- IP - Growth (1542456.424 Units)	40.18	-	-
SBI Premier Liquid Fund - Super Institutional - Growth (154758.617 Units)	39.40	-	-
DSP Blackrock Liquidity Fund- IP-Daily Growth (176894.428 Units)	41.01	-	-
UTI Money Market - IP - Growth (382460.925 Units)	69.49	-	-
<b>Total</b>	<b>412.19</b>	-	-
Aggregate book value of quoted investments	412.19	-	-
Aggregate market value of quoted investments	412.19	-	-
<b>11. Trade receivables</b>			
Secured, considered good	134.90	187.07	157.05
Unsecured, considered good	309.32	336.30	301.14
Doubtful	56.25	55.37	50.27
	500.47	578.74	508.46
Provision for doubtful trade receivables	(56.25)	(55.37)	(50.27)
<b>Total</b>	<b>444.22</b>	<b>523.37</b>	<b>458.19</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.





**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>12. Cash and cash equivalents</b>			
Cash on hand	0.05	0.10	0.10
Balances with bank			
- On current accounts	47.13	48.39	56.44
- Deposits with original maturity of less than three months	21.61	73.00	164.96
Cheques/drafts on hand	2.96	49.90	72.90
<b>Total</b>	<b>71.75</b>	<b>171.39</b>	<b>294.40</b>
<b>Note:</b>			
Short term deposits are made for varying periods depending on the immediate cash requirements of the Company and earns interest at respective short term deposits rates.			
<b>13. Other bank balances</b>			
<b>Earmarked (restricted) balances with banks for:</b>			
Channel financing facility of dealers			3.96
Collateral for disputed indirect tax cases	5.18	-	-
<b>Total</b>	<b>5.18</b>	<b>-</b>	<b>3.96</b>
<b>14. Loans</b>			
<b>Unsecured, considered good</b>			
Loans and advances to related parties	-	1.76	0.82
Loans/advances to employees	1.99	1.72	2.84
<b>Sub total (a)</b>	<b>1.99</b>	<b>3.48</b>	<b>3.66</b>
<b>Doubtful</b>			
Loans and advances to related parties	-	-	0.16
Provision for doubtful advances	-	-	(0.16)
<b>Sub total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>1.99</b>	<b>3.48</b>	<b>3.66</b>
<b>15. Other current financial assets</b>			
<b>Unsecured, considered good, unless otherwise stated</b>			
Interest accrued on fixed deposits	0.83	0.02	1.22
Derivative assets (Refer Note 43)	0.00	0.02	-
Deposits with govt. authorities and others	99.48	87.96	69.36
<b>Sub total (a)</b>	<b>100.31</b>	<b>88.00</b>	<b>70.58</b>
<b>Doubtful</b>			
Deposits with govt. authorities and others	4.47	4.49	1.54
Provision for doubtful advances	(4.47)	(4.49)	(1.54)
<b>Sub total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>100.31</b>	<b>88.00</b>	<b>70.58</b>
<b>16. Other current assets</b>			
<b>Unsecured, considered good, unless otherwise stated</b>			
VAT recoverable	32.15	52.36	23.21
Balances with excise authorities	37.68	45.10	60.92
Advances recoverable	62.78	25.32	62.00
Fiscal incentive receivable	120.36	112.25	73.02
Other receivables	5.66	4.32	11.99
Advance income-tax (net of provision for taxation)	7.50	5.30	5.30
Prepaid expenses	10.75	8.50	7.12
<b>Total</b>	<b>276.88</b>	<b>253.15</b>	<b>243.56</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>17. Equity share capital</b>			
<b>Authorized*</b>			
7,801,110,000 (31 March 2016 - 3,801,110,000 shares, 1 April 2015 - 3,801,110,000 shares) equity shares of Rs. 10/- each	7,801.11	3,801.11	3,801.11
1,000,000,000 (31 March 2016 - 1,000,000,000 shares, 1 April 2015 - 1,000,000,000 shares) preference shares of Rs. 10/- each	1,000.00	1,000.00	1,000.00
	<b>8,801.11</b>	<b>4,801.11</b>	<b>4,801.11</b>
<b>Issued, subscribed and fully paid-up</b>			
150,000,000 (31 March 2016 - 456,412,778 shares, 1 April 2015 - 456,412,778 shares) equity shares of Rs. 10/- each	150.00	456.41	456.41
	<b>150.00</b>	<b>456.41</b>	<b>456.41</b>

\*The movement in authorised and issued share capital during the year is due to merger scheme ( Refer note no.51)

**(a) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(b) Shares held by Nirma Limited (Holding Company) and shareholders holding more than 5% in the Company**

**Nirma Limited (Holding company w.e.f. 4th October 2016) (also Refer note 51)**

No of Shares	149,999,994	-	-
Shareholding %	100.00%	0.00%	0.00%

**Financiere Lafarge SAS**

No of Shares	-	392,362,997	392,363,001
Shareholding %	0.00%	85.97%	85.97%

**Paris Cement Investment Holdings Limited**

No of Shares	-	-	64,049,776
Shareholding %	0.00%	0.00%	14.03%

**Holderind Investments Limited (Subsidiary of the erstwhile ultimate holding company)**

No of Shares	-	64,049,776	-
Shareholding %	-	14.03%	-

**(c) Shares held by subsidiary of the erstwhile ultimate holding company**

Societe Financiere Immobiliere et Mobiliere SAS	-	1	1
Lafarge SA	-	1	1
LafargeHokim Energy Solutions	-	1	1
CBA Holding	-	1	1
Lafarge Industrial Ecology International	-	1	1

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

**d) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Equity shares issued pursuant to merger scheme (Refer note 51) (No. of shares)	150,000,000	-	-
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**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
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**Nature and purpose of reserve**

**A - Capital Reserve**

Capital reserve is used to record excess of net assets taken over pursuant to amalgamation.

**B - Debenture Redemption Reserve**

In accordance with Companies Act, 2013 and rules there under, pursuant to issue of non convertible debentures, the Company has created Debenture Redemption Reserve of Rs. 183 crore being the proportionate amount for the elapsed period with reference to total period of such debenture. During FY 2015-16, the Company had created Debenture Redemption Reserve of Rs. 25.52 crore and transferred back Rs. 87.50 crore to retained earnings on the redemption of entire erstwhile issued debentures.

**C - Cash flow hedge reserve**

The company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast purchase. For hedging foreign currency risk, the company uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedge are effective; the change in fair value of hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when hedged item affects profit or loss.

**D - Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

**18. Borrowings**

**i) Secured borrowings**

**a. Term Loan (Refer Note "a" below)**

Indian rupee loan from banks	-	150.00	300.00
<b>b. Non convertible debentures (Refer Note "b" below)</b>			
8.66% Secured listed non convertible debenture redeemable at par on 14.09.2021 (8000 nos.)	774.02	-	-
8.57% Secured listed non convertible debenture redeemable at par on 14.09.2020 (8000 nos.)	779.90	-	-
8.47% Secured listed non convertible debenture redeemable at par on 14.09.2019 (12,500 nos.)	1,227.80	-	-
8.37% Secured listed non convertible debenture redeemable at par on 14.09.2018 (11,500 nos.)	1,138.04	-	-

**ii) Unsecured borrowings**

Inter corporate deposit from holding company (Refer Note "d" below)	311.31	-	-
2% Unlisted, unsecured debentures compulsorily convertible into equity shares (Refer Note "c" below)	67.39	-	-
	<b>4,298.46</b>	<b>150.00</b>	<b>300.00</b>

**Note :**

a. The Term loan was secured by a first pari passu charge on all movable and immovable properties at the Integrated Cement Unit located at Village-Bhawaliya, Tehasil- Nimbahera, District-Chittoargarh, Rajasthan-312620, India, and Cement Blending Unit at Village-Chitdiya, Tehsil-Charkhi Dabri, District-Bhiwani, Haryana, India, both present and future, but excluding stocks of raw materials, semi-finished goods and finished goods, consumable stores & spares, book debts, outstanding monies and receivable from time to time secured in favour of working capital facilities. The rate of interest applicable to this term loan is Bank's Base Rate plus 50 basis point. The rate of interest was in the range of 9.80% to 10.50%. No term loan is outstanding as on 31st March, 2017 and above charge has been satisfied.

b. The Company has issued Non convertible debentures (NCD) of Rs. 4000.00 crores which are secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets including plant and machinery, equipments, land, immovable properties, investments and intellectual properties.

c. Unlisted, unsecured compulsory convertible debentures carry interest (accruing quarterly) at the rate of 2% on the outstanding amount. Each compulsory convertible debentures (CCD) are convertible at par and as such, 1 CCD of INR 1,00,000/- will be converted into 10,000 equity share of INR 10 each. Refer summary of significant accounting policies for explanation on presentation of liability and equity component of CCD's

d. The Inter corporate deposit of Rs. 300.00 crores is long term in nature and carries interest rate of 8%.

**Repayment Schedule of Borrowings**

Not later than one year	-	150.00	150.00
Later than one year and not later than two years	1,150.00	150.00	150.00
Later than two years and not later than five years	2,850.00	-	150.00

**19. Other non-current financial liabilities**

Liability for employee related expenses	0.75	7.66	7.94
Other liabilities	0.01	0.01	0.56
<b>Total</b>	<b>0.76</b>	<b>7.67</b>	<b>8.50</b>

**20. Provisions (non-current)**

Provision for death benefit (Refer note 39)	3.50	3.24	3.60
Provision for site restoration (Refer note 52)	23.81	7.31	6.66
Provision for contractor's charges (Refer note 52)	21.34	17.28	18.46
<b>Total</b>	<b>48.65</b>	<b>27.83</b>	<b>28.72</b>

**21. Deferred tax liabilities (net)**

<b>A] Deferred tax liability (Refer note 38)</b>	<b>1,635.12</b>	<b>587.46</b>	<b>527.97</b>
- Depreciation and amortisation	601.49	587.46	527.97
- Deferred tax liability on business combination (Refer note 51)	1,033.63	-	-
- Others	-	-	0.58
<b>B] Deferred tax asset (Refer note 38)</b>	<b>410.74</b>	<b>460.57</b>	<b>486.86</b>
- Disallowance under section 43B of the Income Tax Act	57.59	51.96	37.76
- Provision for doubtful debts and advances	24.20	22.29	19.13
- Unabsorbed depreciation	123.35	233.92	323.19
- Others	10.05	10.87	18.85
- MAT credit entitlement	195.55	141.53	87.93
<b>Total</b>	<b>1,224.38</b>	<b>126.89</b>	<b>41.11</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>22. Borrowings</b>			
Current maturities of long-term borrowings	15.92	152.50	506.96
	<u>15.92</u>	<u>152.50</u>	<u>506.96</u>
<b>23. Trade payables</b>			
Trade payables	734.69	619.80	580.98
Due to micro and small enterprises (Refer note 49)	5.30	6.29	7.37
<b>Total</b>	<u>739.99</u>	<u>626.09</u>	<u>588.35</u>
<b>24. Other current financial liabilities</b>			
Creditors for capital expenditure	30.66	31.97	64.93
Security deposits from dealers, transporters and others	368.86	368.81	356.05
Derivative liabilities	0.08	0.69	3.71
<b>Total</b>	<u>399.60</u>	<u>401.47</u>	<u>424.69</u>
<b>25. Provisions (current)</b>			
Provision for gratuity (Refer note 39)	-	1.90	-
Provision for leave benefits	12.89	17.16	13.41
Provision for death benefit (Refer note 39)	0.41	0.30	0.24
Provision for wealth tax	-	-	0.06
Provision for indirect taxes/litigations (Refer note 52)	193.05	177.92	127.28
Provision for dealer's discounts (Refer note 52)	64.80	47.60	55.19
Provision for contractor's charges (Refer note 52)	1.90	1.64	0.46
Provision - Others	3.45	3.63	3.72
<b>Total</b>	<u>276.50</u>	<u>250.15</u>	<u>200.36</u>
<b>26. Other current liabilities</b>			
Advance from customers	69.56	34.77	46.33
Liability for employee related expenses	64.24	50.24	43.39
Liability towards discount to dealers	115.18	84.94	103.69
Others (including statutory dues, provision for expenses)	83.23	75.71	75.08
<b>Total</b>	<u>332.21</u>	<u>245.66</u>	<u>268.49</u>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars 2016-17 2015-16

**27. Revenue from operations**

**Sale of products (including excise duty)**

Finished goods	5,695.47	5,767.02
Traded goods	16.33	18.18

**Other operating revenue**

Rentals under own your wagon scheme	0.17	0.15
Recoveries of shortages & damaged cement	1.62	0.03
Industrial promotional assistance - fiscal incentive (Refer note below)	86.15	86.44
Provision/liabilities no longer required, written back	27.21	81.24
Scrap sales	5.51	5.10

**Total revenue from operations** 5,832.46 5,958.16

**Detail of products sold**

**Finished goods sold**

Cement	4,580.02	4,636.97
Readymix Concrete	1,064.73	1,071.20
Aggregates	9.79	30.14
Fly Ash Bricks	7.29	6.82
Clinker	33.64	21.89
	<u>5,695.47</u>	<u>5,767.02</u>

**Traded goods sold**

Aggregates	15.07	12.67
Readymix Concrete	-	1.96
Others	1.26	3.55
	<u>16.33</u>	<u>18.18</u>

**Note;**

The Company has recognized as other operating revenue Industrial Promotional Assistance (IPA) of Rs.54.94 Crores (Previous Year Rs.55.90 Crores) related to Meja Cement Plant, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Similarly, IPA of Rs.31.21 Crores (Previous Year Rs.30.54 Crores) has been recognised related to Chitorgarh Cement Plant, from the Government of Rajasthan under the Rajasthan Investment Promotion Scheme 2010.

**28. Other income**

Gain on sale of current investments (net)	14.19	13.02
Fair value gain on financial instruments at fair value through profit and loss	2.22	1.22
Interest income on bank deposits	3.10	15.60
Interest income on others	4.15	3.56
Net gain on disposal of property plant and equipment	-	0.28
Other non-operating income	5.61	5.41
<b>Total other income</b>	<u>29.27</u>	<u>39.09</u>

**29. Cost of materials consumed**

Inventory at the beginning of the year	69.23	60.89
Add: Purchases	1,084.27	1,119.76
	<u>1,153.50</u>	<u>1,180.65</u>
Less: Inventory at the end of the year	(41.51)	(69.23)
	<u>1,111.99</u>	<u>1,111.42</u>

**Details of material consumed**

Cement	260.25	256.31
Aggregates (including royalty paid on extraction)	165.18	177.24
Limestone (including royalty paid on extraction)	116.95	111.96
Fly ash	105.63	104.46
Gypsum	93.79	104.10
Slag	139.40	121.17
Sand	129.01	131.00
Admixture	27.01	36.03
Others	74.77	69.15
<b>Total</b>	<u>1,111.99</u>	<u>1,111.42</u>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	2016-17	2015-16
<b>Details of inventory as at end of the year</b>		
Cement	4.63	5.10
Limestone	2.95	11.45
Aggregates	2.78	3.37
Fly ash	0.75	1.18
Gypsum	17.94	28.26
Slag	3.02	5.29
Sand	2.32	2.77
Admixture	3.91	4.53
Boulder	0.81	2.08
Others	2.40	5.20
	<b>41.51</b>	<b>69.23</b>
<b>30. Purchase of stock in trade</b>		
Aggregates	12.79	7.32
Others	1.22	2.89
	<b>14.01</b>	<b>10.21</b>
<b>31. Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Inventories at the end of the year</b>		
Finished goods	50.46	70.47
Work-in-progress	128.88	136.46
	<b>179.34</b>	<b>206.93</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	70.47	55.52
Work-in-progress	136.46	120.42
	<b>206.93</b>	<b>175.94</b>
Changes in inventories of finished goods	20.01	(14.95)
Changes in inventories of work-in-progress	7.58	(16.04)
	<b>27.59</b>	<b>(30.99)</b>
<b>Details of inventory</b>		
<b>Finished goods</b>		
Cement	44.86	65.34
Aggregates	5.44	5.05
Others	0.16	0.08
	<b>50.46</b>	<b>70.47</b>
<b>Work-in-progress</b>		
Clinker	121.13	129.99
Others	7.75	6.47
	<b>128.88</b>	<b>136.46</b>
<b>Total</b>	<b>179.34</b>	<b>206.93</b>
<b>32. Employee benefits expense</b>		
Salaries and wages	250.32	262.17
Contribution to provident fund and other retirement benefits	22.84	21.83
Staff welfare expenses	16.81	16.10
	<b>289.97</b>	<b>300.10</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	2016-17	2015-16
<b>33. Other expenses</b>		
Consumption of stores & spares (including write offs)	121.29	140.00
Consumption of packing materials	154.94	151.74
Computer hardware rent / maintenance	8.58	9.55
Lease rent (Refer note 41)	43.56	40.63
Rates & taxes	48.22	83.60
Insurance	8.79	9.46
<b>Repairs and maintenance</b>		
Plant and machinery	44.00	46.90
Buildings and roads	5.16	8.87
Others	29.01	26.51
CSR expenditure (Refer note 55)	5.82	4.88
Advertisement and sales promotions	41.50	33.86
Travelling and conveyance expenses	26.09	25.86
Legal and professional charges	20.19	18.19
Payment to auditors (Refer note below)	0.61	1.36
Bad debts written off	0.00	0.01
Donations	0.18	0.54
Provision for bad/doubtful debts and advances	5.50	7.83
Property, plant & equipment/CWIP written off	7.27	9.88
Royalty and Managerial & Technical Service charges	-	73.34
Net loss on foreign currency transaction and translation	0.33	5.81
Equipment hire, labour and subcontract charges	157.97	155.11
Security service charges	10.68	9.24
Miscellaneous expenses	36.79	49.70
	<b>776.48</b>	<b>912.87</b>
<b>Payment to auditor (including service tax)</b>		
Audit fee	0.46	0.73
Tax audit fee	0.05	0.11
Other Services	0.05	0.43
Reimbursement of expenses	0.05	0.09
Total	<b>0.61</b>	<b>1.36</b>
<b>34. Depreciation and amortization expense</b>		
Depreciation on tangible assets	273.96	242.54
Amortization of intangible assets	38.48	7.84
Depreciation on investment property	0.08	0.08
	<b>312.52</b>	<b>250.46</b>
<b>35. Finance costs</b>		
<b>Interest on :</b>		
Non convertible debentures	178.54	28.99
Term loans	12.57	35.65
Inter corporate deposits	11.69	-
Compulsory convertible debentures	2.57	-
Security deposits from dealers, transporters and others	22.89	26.26
Cash credit accounts	-	0.01
Others	2.33	0.99
<b>Other finance costs</b>		
Fair value loss on financial instruments at fair value through profit and loss	0.20	-
Amortization of ancillary borrowing costs	0.38	1.12
	<b>231.17</b>	<b>93.02</b>
Borrowing cost capitalised	-	(5.12)
	<b>231.17</b>	<b>87.90</b>
<b>36. Earnings per equity share</b>		
<b>Profit attributable to equity shareholder</b>	<b>165.67</b>	<b>230.85</b>
Weighted average number of equity shares EPS (Nos.)	306,984,081	456,412,778
Unlisted, unsecured debentures compulsorily convertible into equity shares (Nos) *	490,410,959	-
Weighted average number of equity shares for basic & dilutive EPS (Nos.)	797,395,040	456,412,778
Basic earnings per share (in Rs.)	2.08	5.06
Dilutive earning per share (in Rs.)	2.08	5.06
Face value per Equity Share (in Rs.)	10.00	10.00

\* The unlisted, unsecured debentures compulsorily convertible into equity shares are to be converted mandatorily; there is no cash settlement option either with the Company or with the holder.



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 37. Tax expense

#### (a) Amounts recognised in profit and loss

	2016-17	2015-16
<b>Current income tax</b>	57.01	53.60
<b>Tax expense relating to earlier years</b>	(93.28)	(0.16)
	<b>(36.27)</b>	<b>53.44</b>
<b>Deferred tax liability (net)</b>		
Origination and reversal of temporary differences	123.75	140.81
Minimum Alternate Tax credit	(57.01)	(53.60)
<b>Deferred tax expense</b>	<b>66.74</b>	<b>87.21</b>
<b>Tax expense for the year</b>	<b>30.47</b>	<b>140.65</b>

#### (b) Reconciliation of effective tax rate

	2016-17	2015-16
<b>Tax Rate</b>	<b>34.608%</b>	<b>34.608%</b>
<b>Profit before tax</b>	<b>196.14</b>	<b>371.50</b>
Tax using the Company's domestic tax rate (34.61%)	67.88	128.57
<b>Tax effect of:</b>		
Expenses inadmissible under Income Tax Act, 1961	0.07	1.88
Divestment expenses	6.16	10.98
Loss of amalgamating company disallowed	60.05	-
Adjustment related to earlier years*	(93.28)	-
Increase in business loss carried forward	(24.38)	-
Others	13.97	(0.78)
	<b>30.47</b>	<b>140.65</b>
<b>Effective tax rate</b>	<b>15.53%</b>	<b>37.86%</b>

\* The Company in its Income tax returns has claimed the Industrial Promotion Assistance (IPA) received during the period FY 2009-10 to 2014-15 as capital receipt. However, the Company has created provision for Income Tax in its books of accounts considering IPA as revenue receipt.

During the current year, based on ruling of the appellate authorities on appeals of the Company and judicial rulings of the appellate authorities for other taxpayers, the Company has decided to reverse tax provision of Rs.93.28 crores created in earlier years on IPA in its books of accounts.





**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

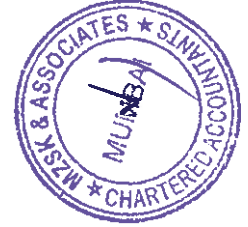
Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**38. Deferred Tax**

Particulars	2015-16		As at 31 March 2016	2016-17		As at 31 March 2017
	As at 1 April 2015	Recognised in profit and loss		Recognised in OCI	Recognised in profit and loss	
<b>Deferred tax liability</b>						
Depreciation and amortisation difference	527.39	60.07	587.46	14.03	-	601.49
Deferred tax liability acquired on amalgamation#	-	-	-	-	-	1,033.63
Others	0.58	(0.58)	-	-	-	-
<b>Total (a)</b>	<b>527.97</b>	<b>59.49</b>	<b>587.46</b>	<b>14.03</b>	<b>-</b>	<b>1,635.12</b>
<b>Deferred tax Asset</b>						
Disallowance under section 43B of Income Tax Act, 1961	37.76	12.77	51.96	5.70	(0.07)	57.59
Provision for doubtful debts and advances	19.13	3.16	22.29	1.91	-	24.20
Unabsorbed depreciation	323.19	(89.27)	233.92	(110.57)	-	123.35
Others	18.85	(7.98)	10.87	(0.79)	(0.03)	10.05
MAT credit entitlement	87.93	53.60	141.53	54.02	-	195.55
<b>Total (b)</b>	<b>486.86</b>	<b>(27.72)</b>	<b>460.57</b>	<b>(49.73)</b>	<b>(0.10)</b>	<b>410.74</b>
<b>Net deferred tax liability (a-b)</b>	<b>41.11</b>	<b>87.21</b>	<b>126.89</b>	<b>63.76</b>	<b>0.10</b>	<b>1,224.38</b>

# Deferred tax liability of INR 1033.63 crores acquired on amalgamation (Refer note 51)



Novoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")  
Notes to financial statements for the year ended 31 March, 2017  
(All amounts are in crore, except share data and as stated)

Note - 39

Employee benefit

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.  
The Company recognised Rs.7.92 crores (Previous year Rs.7.83 crores) for superannuation contribution in the statement of Profit and Loss. The Company recognised Rs.8.31 crores (previous year Rs.8.66 crores) for provident fund contributions in the statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan

A. The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the HDFC, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statement as at balance sheet date:

	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Gratuity Funded			Death Benefit		
Defined benefit obligation	(54.36)	(50.03)	(42.05)	(3.91)	(3.54)	(3.85)
Fair value of plan assets	55.28	48.13	46.14			
Net defined benefit (obligation)/assets	0.92	(1.90)	4.09	(3.91)	(3.54)	(3.85)
Non-current	-	-	-	(3.50)	(3.24)	(3.61)
Current	0.92	(1.90)	4.09	(0.41)	(0.30)	(0.24)

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Gratuity Funded			Death Retirement		
Defined benefit obligation						
Opening balance	50.03	42.05	35.88	3.54	3.85	3.65
Included in profit and loss						
Current service cost	3.13	3.04	2.09	0.09	0.13	0.14
Interest cost	3.68	3.40	3.22	0.27	0.29	0.33
	6.81	6.44	5.31	0.36	0.42	0.47
Included in OCI						
Actuarial loss (gain) - demographic assumptions	-	1.52	-	-	(0.54)	-
Actuarial loss (gain) - experience adjustments	1.20	0.59	-	0.17	0.12	-
Actuarial loss (gain) - financial assumptions	2.01	0.51	4.02	0.12	0.02	(0.09)
	3.21	2.62	4.02	0.29	(0.40)	(0.09)
Other						
Amount transferred from non funded to funded	-	2.82	-	-	-	-
Benefits paid	(5.69)	(3.70)	(3.16)	(0.28)	(0.33)	(0.18)
Closing balance (a)	54.36	50.03	42.05	3.91	3.54	3.85
Fair value of plan asset						
Opening balance	48.15	46.14	37.21	-	-	-
Interest income	3.75	3.69	2.96	-	-	-
	51.90	49.83	40.19	-	-	-
Included in OCI						
Actuarial gain / (loss)	3.40	(1.79)	5.95	-	-	-
	55.28	48.13	46.14	-	-	-
Other						
Contributions paid by the employer	5.69	3.70	3.16	-	-	-
Benefits paid	(5.69)	(3.70)	(3.16)	-	-	-
Closing balance (b)	55.28	48.13	46.14	-	-	-
Reconciled by						
Net defined benefit asset (B-a)	0.92	-	4.09	-	-	-
Net defined benefit liability (a-b)	-	1.90	-	3.91	3.54	3.85

C. Plan assets

Plan assets comprise the following:

	31 March 2017	31 March 2016	1 April 2015
	Gratuity Funded		
Investment in scheme of insurance	100%	100%	100%

D. Defined benefit obligations

1. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2017	31 March 2016	1 April 2015
Discount rate	7.10%	7.80%	7.90%
Expected rate of return on plan assets	8.00%	8.00%	8.00%
Salary escalation	8.00%	8.00%	8.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII
Mortality post-retirement	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII
Employee turnover rate (for different age groups)	5%-10%	5%-10%	1%-10%

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

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.

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2017		March 31, 2017		March 31, 2016		March 31, 2016	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.83)	3.13	(0.18)	0.19	(2.56)	2.83	(0.17)	0.18
Future salary growth (1% movement)	2.43	(2.34)	0.08	(0.07)	2.24	(2.14)	0.08	(0.07)
Employee turnover rate (1% movement)	0.03	(0.03)	(0.08)	0.09	0.02	(0.03)	(0.08)	0.08
Mortality pre-retirement	(0.08)	0.00	(0.20)	0.22	(0.00)	0.00	(0.18)	0.20

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Other information

Expected employer contribution for the next annual reporting period  
Weighted average duration of defined benefit obligation

March 31, 2017	March 31, 2016
₹ 80	₹ 80
6 years	6 years



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
Notes to financial statements for the year ended 31 March, 2017  
(All amounts are in INR, unless otherwise stated)

Note - 80  
Related party relationships, transactions and balances

The table provides the information about the group's resources including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

**Related parties and nature of relationship**

(1) Ultimate Holding Company  
Lafarge India Limited (formerly known as Lafarge Limited) (Ultimate Holding Company) till 2nd October, 2016.

(2) Holding Company  
Pharveer Lafarge SAS (Holding Company) till 2nd October, 2016  
Nirma Limited (Ultimate Holding Company) w.e.f. 03 October, 2016

(3) Intermediate Holding Company  
Lafarge SAS (Intermediate Holding Company) till 2nd October, 2016

(4) Subsidiary Company  
Nirma Eastern Cement Limited (formerly known as Lafarge Eastern India Limited)

(5) Joint Venture Company  
Wadhwa Vadhey Coal Field Private Limited

Other Related Parties with whom transactions have taken place during the year

(6) Fellow Subsidiary Companies (till 2nd October, 2016)  
Lafarge Asia Site Bhd  
Buzan Cement  
Lafarge Extrusive Cement  
Lafarge Services Group Paris  
Meyra Cement Company Ltd.  
Abuakwa Cement Company  
Lafarge Middle East Africa Building Materials  
Lafarge Performance Gmbh  
Lafarge Energy Solutions SAS  
ACC Limited  
Ambuja Cement Limited  
Hidrex Technology (Singapore) PTE Ltd.  
Caj Ambuja Cement (A unit of Ambuja Cement Limited)

(7) Key Management Personnel  
Managing Director & Country Chief Executive Officer - Mr. Ujjwal Bhatia  
Director - Mr. Pradeep Chaudhary till 03 October, 2016  
Director - Shashi Bhatnagar till 03 October, 2016  
Director - Subramanian Mahalingam  
Independent Director - Brijendra Kumar  
Independent Director - Bhavna Doshi

**Details of Related Party Transactions**

Particulars	As at and for the year ended 31st March, 2017					As at and for the year ended 31st March, 2016					As at and for the year ended 31st March, 2015										
	Ultimate/Intermediate Holding Company	Subsidiary Companies	Fellow Subsidiary Companies	Joint Venture Company	Key Management personnel	Total	Ultimate/Intermediate Holding Company	Subsidiary Companies	Fellow Subsidiary Companies	Joint Venture Company	Key Management personnel	Total	Ultimate/Intermediate Holding Company	Holding Company	Subsidiary Companies	Fellow Subsidiary Companies	Associate Company	Joint Venture Company	Key Management personnel	Total	
<b>Receivables</b>																					
Lafarge SA						86.62					86.62		88.26								88.26
Managerial & Technical Service Charges																					
Lafarge SA	(25.7)					(25.7)	26.72				26.72	21.69									21.69
<b>Purchases</b>																					
Lafarge Energy Solutions SAS			12.07			12.07		72.68			72.68				104.11						189.31
ACC Limited								5.12			5.12										5.12
Ambuja Cement Limited						18.72		26.28			26.28										26.28
Unit Ambuja Cement (A unit of Ambuja Cement Limited)					8.23	8.23		3.66			3.66										3.66
Nirma Limited	17.64					17.64															17.64
<b>Interest</b>																					
Nirma Limited	14.26					14.26															14.26
<b>Salaries</b>									1.48		1.48										1.48
ACC Limited																					
<b>Interest</b>																					
Nirma Eastern Cement Limited (formerly known as Lafarge Eastern India Limited)								0.85			0.85										0.85
<b>Issue of Equity Shares</b>																					
Nirma Limited	150.00					150.00															150.00
<b>Issue of Inter Corporate Deposits</b>																					
Nirma Limited	300.00					300.00															300.00
<b>Issue of compulsory convertible debentures</b>																					
Nirma Limited	1,000.00					1,000.00															1,000.00
<b>Interest accrued and outstanding</b>																					
Wadhwa Vadhey Coal Field Private Limited									0.18		0.18										0.18
<b>Reimbursement of Expenses and other payments</b>																					
Lafarge SA			4.52			4.52	5.43				5.43	18.72									29.58
Lafarge Asia Site Bhd			6.76			6.76		2.44			2.44										9.20
Lafarge Middle East Africa Building Materials								0.35			0.35										0.35
Lafarge Performance Gmbh								0.72			0.72										0.72
Others			0.74			0.74		0.01			0.01										0.75
<b>Expenses incurred on behalf of</b>																					
Lafarge SA			2.27			2.27	4.79				4.79	1.49									6.27
Lafarge Asia Site Bhd			0.01			0.01		0.04			0.04										0.05
Buzan Cement			0.06			0.06															0.06
Lafarge Extrusive Cement			0.16			0.16		0.31			0.31										0.37
Hidrex Technology (Singapore) PTE Ltd.			1.00			1.00															1.00
Lafarge Services Group - Paris			0.14			0.14		0.33			0.33										0.47
Meyra Cement Company Ltd.			0.19			0.19		1.01			1.01										1.20
Abuakwa Cement Company			0.32			0.32		0.47			0.47										0.79
Others								0.21			0.21										0.42
<b>Income given</b>																					
Wadhwa Vadhey Coal Field Private Limited									0.50		0.50										0.50
<b>Interest Payable and outstanding</b>																					
Nirma Limited						13.11															13.11
<b>Outstanding amount payable</b>																					
Lafarge SA			3.07			3.07	27.25				27.25	3.66									33.98
Lafarge Asia Site Bhd			3.80			3.80		3.05			3.05										6.85
Lafarge Energy Solutions								18.48			18.48										18.48
Nirma Limited	16.28					16.28															16.28
Unit Ambuja Cement (A unit of Ambuja Cement Limited)			0.05			0.05															0.05
ACC Limited			0.46			0.46		0.91			0.91										1.37
Ambuja Cement Limited			15.99			15.99		12.86			12.86										28.85
Others																					0.21
<b>Outstanding amount receivable</b>																					
Income																					
Wadhwa Vadhey Coal Field Private Limited					1.07	1.07				1.07	1.07										2.14
<b>Other receivables</b>																					
Lafarge SA							0.21				0.21	0.19									0.40
Lafarge Asia Site Bhd								0.01			0.01										0.01
Lafarge Services Group - Paris								0.21			0.21										0.21
Meyra Cement Company Ltd.								0.92			0.92										0.92
Abuakwa Cement Company Ltd.								0.20			0.20										0.20
ACC Limited								0.32			0.32										0.32
Hidrex Technology (Singapore) PTE Ltd.								0.81			0.81										0.81
Others								0.19			0.19										0.19
<b>Plus/less against the receivables</b>																					
Wadhwa Vadhey Coal Field Private Limited						1.07					1.07										1.07
Lafarge Asia Site Bhd																					

1. Lafarge SA was Ultimate Holding Company till 02 July, 2016, thereafter it is intermediate holding company.  
2. All transactions listed above are at arms length price and all the corresponding balances are unsecured.  
3. Key Management Personnel breakdown is as follows:  
Compensation paid to Key management persons  
Salary 2016-17 2015-16  
Share options 13.84 12.22  
Cash incentives 1.75 98.27  
Total 15.59 110.49



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**41. Operating leases**

**Lease payments**

(a) The Company has taken various residential and commercial premises under operating leases. Further, certain arrangements entered by Company meet criteria specified in Appendix C of Ind AS 17 and are classified as embedded operating leases. The lease payments recognised in the statement of profit and loss is Rs.43.56 Crore. (Previous year Rs. 40.63 Crore.)

(b) Future commitments of lease rentals on account of assets taken on non-cancellable operating lease are as follows:

	2016-17	2015-16
Less than one year	8.09	6.86
Between one and five years	8.25	8.05
	16.34	14.91



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**42. Financial instruments - Fair values and risk management**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

March 31, 2017 INR	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Current investments	412.19	-	-	412.19	412.19	-	-	412.19
Trade receivables	-	-	444.22	444.22	-	-	-	-
Cash and cash equivalents	-	-	71.75	71.75	-	-	-	-
Other bank balances	-	-	5.18	5.18	-	-	-	-
Loans	-	-	1.99	1.99	-	-	-	-
Others	-	-	229.12	229.12	-	-	-	-
Derivative asset	0.00	-	-	0.00	-	0.00	-	0.00
	412.19	-	752.26	1,164.45	412.19	0.00	-	412.19
<b>Financial liabilities</b>								
Borrowings	-	-	4,314.38	4,314.38	-	4,314.38	-	4,314.38
Trade payables	-	-	739.99	739.99	-	-	-	-
Others	-	-	400.28	400.28	-	-	-	-
Derivative liability	0.08	-	-	0.08	-	0.08	-	0.08
	0.08	-	5,454.65	5,454.73	-	4,314.46	-	4,314.46

March 31, 2016 INR	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Trade receivables	-	-	523.37	523.37	-	-	-	-
Cash and cash equivalents	-	-	171.39	171.39	-	-	-	-
Loans	-	-	3.48	3.48	-	-	-	-
Others	-	-	165.82	165.82	-	-	-	-
Derivative asset	0.02	-	-	0.02	-	0.02	-	0.02
	0.02	-	864.06	864.08	-	0.02	-	0.02
<b>Financial liabilities</b>								
Borrowings	-	-	302.50	302.50	-	302.50	-	302.50
Trade payables	-	-	626.09	626.09	-	-	-	-
Others	-	-	408.44	408.44	-	-	-	-
Derivative Liability	0.69	-	-	0.69	-	0.69	-	0.69
	0.69	-	1,337.03	1,337.72	-	303.19	-	303.19

April 1, 2015 INR	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Trade receivables	-	-	458.19	458.19	-	-	-	-
Cash and cash equivalents	-	-	294.40	294.40	-	-	-	-
Other bank balances	-	-	3.96	3.96	-	-	-	-
Loans	-	-	3.78	3.78	-	-	-	-
Others	-	-	198.27	198.27	-	-	-	-
	-	-	958.60	958.60	-	-	-	-
<b>Financial liabilities</b>								
Borrowings	-	-	806.96	806.96	-	806.96	-	806.96
Trade and other payables	-	-	588.35	588.35	-	-	-	-
Other	-	-	429.48	429.48	-	-	-	-
Derivative Liability	3.71	-	-	3.71	-	3.71	-	3.71
	3.71	-	1,824.79	1,828.50	-	810.67	-	810.67



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 42. Financial instruments - Fair values and risk management

#### B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

#### ii. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

#### Trade receivables

The Company's exposure to credit risk is determined by the individual characteristics and specifications of each customer. The profile of the customer, including the market risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Neither past due nor impaired	198.99	291.47	279.74
<b>Past due but not impaired</b>			
Past due 1-180 days	154.52	156.48	108.22
Past due 181-365 days	20.51	21.56	12.51
Past due 1 to 2 years	24.34	11.84	27.01
More than 2 years	45.86	42.02	30.71
	<u>444.22</u>	<u>523.37</u>	<u>458.19</u>

#### Expected credit loss assessment for customers as at 1 April 2015, 31 March 2016 and 31 March 2017

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The allowance at 31 March, 2016 and 31 March, 2017 related to several customers that may default on their payments to the Company and may not pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade receivables during the year was as follow :

	2016-17	2015-16
Balance as at beginning of the year	55.37	50.27
Impairment loss recognised/(reversed)	0.88	5.10
<b>Balance at the end of the year</b>	<b>56.25</b>	<b>55.37</b>

#### Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**42. Financial instruments – Fair values and risk management**

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained both fund based and non-fund based working capital lines from various banks. The Company also constantly monitors, as and when required, funding options available in the debt and capital markets with a view to maintain financial liquidity. The company also enjoys A1+ ratings from CRISIL on short term facilities from banks indicating very strong degree of safety regarding timely payment of financial obligations and carries lowest credit risk.

**Exposure to liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

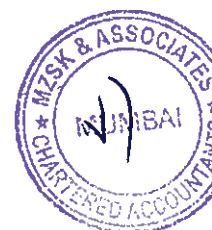
\* all non derivative financial liabilities

\* Derivative financial instruments for which the contractual maturities are essential for understanding the timing of the cash flows.

As at 31 March 2017	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Borrowings	4,962.28	-	1,782.29	3,179.99	-
Other non-current financial liabilities	0.76	0.76			
Trade payables	739.99	739.99	-	-	-
Other financial current liabilities	399.52	399.52			
<b>Derivative financial liabilities</b>					
Forward exchange contracts used for hedging	0.08	0.08			

As at 31 March 2016	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Borrowings	302.50	152.50	150.00	-	-
Other non-current financial liabilities	7.67	7.67	-	-	-
Trade payables	626.09	626.09	-	-	-
Other financial current liabilities	400.78	400.78	-	-	-
<b>Derivative financial liabilities</b>					
Forward exchange contracts used for hedging	0.69	0.69			

As at 1 April 2015	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Borrowings	806.96	500.00	306.96	-	-
Other non-current financial liabilities	8.50	8.50	-	-	-
Trade payables	588.35	588.35	-	-	-
Other financial current liabilities	420.98	420.98	-	-	-
<b>Derivative financial liabilities</b>					
Forward exchange contracts used for hedging	3.71	3.71			



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**42. Financial instruments - Fair values and risk management**

**iv. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

**a. Currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction References more than one currency or where assets/liabilities denominated in a currency other than the functional currency of the entity.

Considering economic environment in which the Company operates, its operations are subject to risks arising from fluctuation in exchange rates in those countries. The risks primarily relate to fluctuations foreign exchange rates of USD & EURO, on account of payables to foreign suppliers, for import of petcoke, gypsum and spares.

The Company, as per its risk management policy, uses foreign exchange forward contracts to hedge foreign exchange exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Amounts in INR (Crores)	31 March 2017		31 March 2016		01 April 2015
	EUR	USD	EUR	USD	EUR
Accounts Receivable	-	-	-	1.85	0.05
Accounts Payable	1.36	6.72	27.98	22.56	53.26
<b>Net balance sheet exposure</b>	<b>1.36</b>	<b>6.72</b>	<b>27.98</b>	<b>20.71</b>	<b>53.21</b>
Forward exchange contracts	-	-	11.17	16.86	24.22
<b>Net exposure</b>	<b>1.36</b>	<b>6.72</b>	<b>16.81</b>	<b>3.85</b>	<b>28.99</b>

**Sensitivity analysis**

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. Analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposure as at the date of statements of financial position.

Effect in INR Crore	Profit or loss	
	Strengthening	Weakening
<b>31 March 2017</b>		
EUR	(0.14)	0.14
USD	(0.67)	0.67
<b>31 March 2016</b>		
EUR	(1.07)	1.07
USD	(0.31)	0.31

**b. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions.

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, Refer to Note 18 and 22 of these financial statements.





**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**43. Hedge accounting**

The Company performs hedging on its forecasted/firm foreign currency exposure in respect of import of goods and services from time to time on a 12 months rolling basis. The Company uses forward exchange contracts to hedge its currency risk arising from such imports. Hedging instruments are denominated in the same currency in which the imports are made. Maturity of hedging instruments are less than 12 months.

The foreign exchange forward contract balances vary with the level of expected foreign currency transactions and changes in foreign exchange forward rates.

Particulars	31 March 2017		31 March 2016		1 April 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments	0.00	0.08	0.02	0.69	-	3.71

The cash flow hedges of the firm commitments during the year ended 31 March 2017 were assessed to be highly effective, and as at 31 March 2017, a net unrealised loss of INR 0.06 crore (31 March 2016 - INR 0.12 crores) and was included in other equity in respect of these contracts. The effective portion of INR 0.02 crore (31 March 2016 - INR 0.06 crore) is charged to profit and loss.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

**Notes to financial statements for the year ended 31 March, 2017**

*(All amounts are in INR crores, unless otherwise stated)*

**44. Netting off disclosure**

**Offsetting financial assets and financial liabilities**

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2016 and 1 April 2015.

Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
<b>31 March 2017</b>			
<b>Financial assets</b>			
Trade receivables	444.47	(0.25)	444.22
Derivative asset	0.00	-	0.00
<b>Total</b>	<b>444.47</b>	<b>(0.25)</b>	<b>444.22</b>
<b>Financial liabilities</b>			
Derivative Liabilities	0.08	-	0.08
<b>Total</b>	<b>0.08</b>	<b>-</b>	<b>0.08</b>

Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
<b>31 March 2016</b>			
<b>Financial assets</b>			
Trade receivables	528.06	(4.69)	523.37
Derivative asset	0.02	-	0.02
<b>Total</b>	<b>528.08</b>	<b>(4.69)</b>	<b>523.39</b>
<b>Financial liabilities</b>			
Derivative Liabilities	0.69	-	0.69
<b>Total</b>	<b>0.69</b>	<b>-</b>	<b>0.69</b>

Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
<b>1 April 2015</b>			
<b>Financial assets</b>			
Trade receivables	460.56	(2.37)	458.19
<b>Total</b>	<b>460.56</b>	<b>(2.37)</b>	<b>458.19</b>
<b>Financial liabilities</b>			
Derivative Liabilities	3.71	-	3.71
<b>Total</b>	<b>3.71</b>	<b>-</b>	<b>3.71</b>

(a) **Offsetting arrangements**

(i) **CFA agents**

The Company engages the services of CFA agents for selling the cement. As per the terms of the agreement, Company has a right to offset balances with CFA against debtors balances if debtor has not paid for a period of 90 days. Hence such amounts have been offset in the balance sheet.



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 45. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company carefully monitors cash and bank balances, deployment of surplus funds and regularly assesses any debt requirements.

The Company's adjusted net debt to equity ratio is as follows.

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total borrowings along with accrued interest	4,314.38	302.50	806.96
Less : Cash and bank balances & Current Investments	(489.12)	(171.39)	(298.36)
<b>Adjusted net debt</b>	<b>3,825.26</b>	<b>131.11</b>	<b>508.60</b>
Equity	150.00	456.41	456.41
Other Equity	3,798.95	3,748.38	3,518.41
<b>Total Equity</b>	<b>3,948.95</b>	<b>4,204.79</b>	<b>3,974.82</b>
 Adjusted net debt to equity ratio	 0.97	 0.03	 0.13



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 46. Segment Reporting

#### A. General Information

For management purposes, the Company is organised into business units based on its products and has two reportable segments, as follows:

- Segment-1 Cement Division
- Segment-2 Readymix Concrete

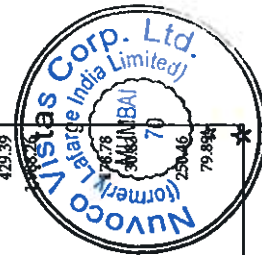
Others - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statement.

Transfer prices between operating segment are on arm's length basis in a manner similar to transaction with third parties.

#### B. Information about reportable segments

Particulars	Reportable segments						Total	
	Cement		Ready mix concrete		Others		For the year ended March 31, 2017	For the year ended March 31, 2016
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016		
Revenue								
External sales	4,737.73	4,835.49	1,069.81	1,079.77	24.92	42.90	5,832.46	5,958.16
Inter segment sales	33.32	43.33	-	-	18.77	21.35	52.09	64.68
Total	4,771.05	4,878.82	1,069.81	1,079.77	43.69	64.25	5,884.55	6,022.84
Less : Eliminations	(33.32)	(43.33)	-	-	(18.77)	(21.35)	(52.09)	(64.68)
Net Revenue	4,737.73	4,835.49	1,069.81	1,079.77	24.92	42.90	5,832.46	5,958.16
Segment Results	452.33	624.50	(23.27)	(121.62)	(7.60)	(13.83)	421.46	489.05
Financial expense							(231.17)	(87.90)
Financial income							23.66	33.40
Un-allocated expenses							-	(20.18)
Profit before exceptional item and tax							213.95	414.37
Exceptional items (Refer note 54)							17.81	42.87
Profit before tax							196.14	371.50
Tax expenses							30.47	140.65
Profit after tax							165.67	230.85
OTHER INFORMATION								
Segment assets	10,136.60	5,166.93	918.33	900.26	50.31	56.98	11,105.24	6,124.17
Un-allocated assets	-	-	-	-	-	-	180.18	68.88
Total Assets	10,136.60	5,166.93	918.33	900.26	50.31	56.98	11,285.42	6,193.05
Segment liabilities	1,445.59	1,208.81	334.17	326.67	17.95	23.39	1,797.71	1,558.87
Un-allocated liabilities	-	-	-	-	-	-	5,538.76	429.39
Total Liabilities	1,445.59	1,208.81	334.17	326.67	17.95	23.39	7,336.47	2,504.66
Capital Expenditure	114.93	160.16	6.45	18.10	0.43	0.51	121.81	176.78
Tangible assets	17.13	30.79	-	0.04	-	-	17.13	30.83
Intangible assets							4.90	250.46
Depreciation / Amortization	270.82	96.55	36.80	149.99	4.90	3.92	312.52	250.46
Other non cash expense	2.07	68.67	4.08	9.80	0.21	1.42	6.36	79.89



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

**47. Contingent Liabilities**

<u>Contingent Liabilities not provided for in respect of:</u>	<u>As at 31 March 2017</u>	<u>As at 31 March 2016</u>	<u>As at 1 April 2015</u>
i. Claims against the Company not acknowledged as debts: -			
a. Disputed demands in respect of Sales Tax by various sales tax authorities	27.41	17.28	52.91
b. Disputed demand in respect of Royalty on Limestone by the State of Chhattisgarh	166.02	143.50	125.21
c. Disputed demand in respect of Entry Tax by various tax authorities	36.98	20.19	19.18
d. Disputed demand in respect of Water cess by the State of Chhattisgarh	0.13	0.13	0.13
e. Disputed demand in respect of Excise Duty	167.46	160.91	146.32
f. Disputed demand in respect of Service Tax	2.51	1.48	0.92
g. Disputed demand in respect of VAT	11.45	12.39	8.33
h. Stamp Duty paid under protest for change of name from GKW to LRCL.	1.80	1.80	1.80
i. Disputed demands in respect of Custom duties	14.44	14.44	14.44
j. In respect of Income Tax	234.47	114.92	32.48
k. Other claims	20.44	18.49	2.84
Against these, payments under protest/adjustments made by the Company	96.35	54.93	48.64
ii. Guarantees given by the Company on behalf of its Joint venture Company	-	-	5.51
iii. The State of Chhattisgarh has filed a Revision Application challenging the adjudication order of the District Registrar and Collector of Stamps; Janjgir -Champa for alleged under-valuation of the properties, which the Company acquired from Raymond Ltd. Against this, Raymond Ltd. has filed a Special Leave Petition before the Honorable Supreme Court, which has stayed the proceedings before the Board of Revenue.			
The Collector of Stamps, Raipur has commenced enquiry proceedings under Section 47 (A)(3) of the Indian Stamp Act, 1899 questioning the amount of stamp duty paid by The Tata Iron and Steel Company Limited (TISCO) on transfer of the immovable properties at Sonadih from TISCO to the Company. The Company has filed a Writ Petition in the Honorable High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court.		Amount not determinable	Amount not determinable
The Company's liability, if at all arises, in both the above cases, is restricted to 50% by virtue of business transfer agreement between Lafarge and Raymond Ltd/TISCO.			
iv. In June 2012, the Competition Commission of India (CCI) passed an Order levying a penalty of Rs. 490 crore on the Company in connection with a complaint filed by the Builders Association of India against leading cement companies (including Lafarge) for alleged violation of certain provisions of the Competition Act, 2002. The Company filed an appeal before the COMPAT for setting aside the said Order of CCI. The COMPAT granted stay on levying the penalty imposed on the Company by CCI against deposit of 10% of the penalty amount. In December 2015, the COMPAT finally set aside the said Order of CCI and remanded back to CCI for fresh adjudication of the issues and passing of fresh Order. It also allowed the Company to withdraw the amount of 10% deposit kept with the CCI. However, in August 2016 the case was reheard by CCI and it passed an Order levying a penalty of Rs. 490 crore on the Company. The Company had filed an appeal against the Order before the Competition Appellate Tribunal ("COMPAT"). The COMPAT has granted a stay on the CCI Order against a deposit of 10% of the penalty amount, which has been deposited since. Based on advice of external legal counsel and the rights available with the Company, no provision is considered necessary.			

**48. Capital and other Commitment**

	<u>As at 31 March 2017</u>	<u>As at 31 March 2016</u>	<u>As at 1 April 2015</u>
Estimate amount of contracts remaining to be executed on capital account and not provided for (net off advances)	35.07	39.65	74.24
Others	3.86	6.62	0.59



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**49. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
Principal amount due to micro and small enterprises	5.30	6.29	7.37
Interest due on above	-	-	-
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year			
Principal	0.07	0.94	0.23
Interest	0.00	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.07	0.07	0.27
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.25	0.51	0.44
v) 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.	-	-	-

**50. Disclosure on Specified Bank Notes (SBNs)**

Particulars	Amount in INR		
	SBN ( specified bank notes )	other denomination notes	Total
Closing cash in hand as on 08/11/2016	412,000	210,006	622,006
(+) permitted receipts*	26,500	2,016,766	2,043,266
(-) permitted payments	-	1,085,287	1,085,287
(-) amt. deposited in banks	438,500	318,450	756,950
Closing cash in hand as on 30/12/2016	-	823,035	823,035

\* Permitted receipts represents the advance amount returned by company's employees.



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 Notes to financial statements for the year ended 31 March, 2017  
 (All amounts are in INR crores, unless otherwise stated)

**51. Business combination**

Nirchem Cement Limited (Nirchem) was incorporated on 2nd August 2016 as a wholly owned subsidiary of Nirma Limited to engage in the cement business. Nirma intended to acquire the cement and related business of Lafarge India Limited (Lafarge) and due to various approvals and commercial reasons, it acquired such business of Lafarge (the "Acquisition") by way of acquiring 100% shares of Lafarge from its shareholders. The acquisition of Lafarge by Nirchem was accounted for in the consolidated financial statements of Nirchem in accordance with Ind AS 103 Business Combinations by applying the acquisition method. The consolidated financial statements as at 4th October, 2016 prepared by management in accordance with Ind AS 110, have been adopted by the Board. Under the acquisition method, all identifiable assets including intangibles, liabilities and contingent liabilities of Lafarge were measured and accounted at the fair value as of the acquisition date. Fair values have been determined by an independent valuer. The excess of the cost of the acquisition over the fair value of the acquired assets, liabilities and contingent liabilities is recognized as Goodwill.

<u>Calculation of Goodwill</u>	
Consideration Paid	8,207.50
Net Assets acquired	5,763.64
Goodwill	2,443.86
Erstwhile acquired Goodwill in books of Lafarge	549.59
Additional Goodwill recognised	1,894.27

Subsequently, pursuant to the Scheme of Amalgamation under Sections 230-232 and any other applicable provisions of the Companies Act, 2013 read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, sanctioned by the Company law tribunal of Mumbai branch and filed with the Registrar of Companies (RoC) on 19th April, 2017, Nirchem Cement Limited has been amalgamated with Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited") w.e.f. 4th October 2016, the Appointed Date.

By virtue of guidance provided in App C of Ind AS 103, the above amalgamation is a 'common control business combination' given the combining entities (Nirchem and Lafarge) are both ultimately controlled by the same ultimate parent (Nirma Limited) before and after the amalgamation. Accordingly, the business combination has been accounted for using the pooling of interest method wherein the assets and liabilities of the combining entities are reflected at their carrying amounts as specified in the scheme i.e. values as determined under IND AS 103 Business Combinations, which in turn have been pooled from the Consolidated Financial Statements of Nirchem as at 4th October, 2016.

<u>Calculation of Capital Reserve</u>		
Particulars	Amount	Note
Investment in the books of Nirchem	(8,207.50)	
Equity share capital of Nirchem cancelled	3,000.00	
Issue of new equity shares of Nuvoco as per merger scheme	(150.00)	
Nuvoco old share capital reversed	456.41	
<b>IND AS 103 carrying values derived from Nirchem CES (Incremental values):</b>		
Tangible assets	1,610.19	Refer Note 2
Intangible assets	1,376.51	Refer Note 4
Goodwill	1,894.27	Refer Note 4
Deferred tax liability	(1,033.63)	Refer Note 38
Capital reserve on Merger	(1,053.79)	



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**52. Disclosures as required by Indian Accounting Standard (Ind AS) 37 - Provisions**

Particulars	Site Restoration expense		Dealer discount provisions		Indirect taxes and litigations		Provision for contractor's charges		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Carrying amount at the beginning of the year	7.31	6.66	47.60	55.18	177.92	127.28	18.92	18.92	251.75	208.04
Additional provision made during the year	16.78	0.65	70.57	54.27	16.20	64.68	4.32	0.00	107.87	119.60
Amounts used during the year	(0.28)	-	(53.37)	(61.85)	(0.57)	(0.75)	-	-	(54.22)	(62.60)
Amounts written back during the year	-	-	-	-	(0.50)	(13.29)	-	-	(0.50)	(13.29)
Carrying amount at the end of the year #	23.81	7.31	64.80	47.60	193.05	177.92	23.24	18.92	304.90	251.75

# This includes current and non current portion.

**i. Site Restoration expense**

The Company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are 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 reclamation expenditure.

**ii. Dealer discount provisions**

The provision for discounts is on account of various promotion and incentive schemes proposed to be announced to dealers on products sold by the Company. The provision is based on the historic data/ estimated figures of discounts passed on. The timing and amount of the cash flows that will arise will be determined as and when these schemes are formalised and pay-offs approved by management, which is generally 12 to 18 months.

**iii. Indirect taxes and legal cases**

Provision for indirect tax and legal cases includes disputed cases of excise tax, Value added tax, sales tax, entry tax and other disputed legal cases.

**iv. Provision for contractor charges**

Provision for contractor's charges pertains to gratuity amount payable by contractor to its employees which as per the terms of the contract shall be reimbursed by the Company.

**Note - 53**

The Company had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of Rs.12.22 Crore (Previous year Rs.12.22 Crore) on Damodar Valley Corporation (DVC) towards their share of the capital expenditure on such Fly Ash classifier in terms of the agreement, which along with certain operational settlements are currently under discussion with DVC. Pending resolution on the matters, the Company has not recognized the above claims in its books. Further, the management is confident that the use of the Fly Ash classifier and operational settlements shall be amicably resolved with the party.

**Note - 54**

Exceptional items incurred in relation to the orders of Competition Commission of India dated 2nd Feb 2016 and 30th March, 2015, Rs. 17.81 crore and Rs. 31.73 crore respectively for FY'17 and FY'16. Exceptional item for FY'16 also includes provision of Rs.11.14 crore towards excise duty, differential VAT and interest liability thereon for sales effected on project plants of ready mix business for the period 2010-11 till December 2015.

**Note - 55**

As per the limit specified under Section 135 of the Companies Act, 2013, the Company was required to spend Rs 7.73 crore (Previous year Rs 11.63 crore) during the year on account of Corporate Social Responsibility (CSR). However, the actual amount spent during the year amounts to Rs 6.43 crore (Previous year Rs 5.37 crore) out of which Rs 0.61 crore (Previous year Rs 0.49 crore) has been incurred in relation to its ongoing projects which has been capitalised and the balance of Rs. 5.82 crore ( Previous year Rs 4.88 crore) has been accounted in the statement of profit and loss as CSR expenditure.





## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 56. Transition to Ind AS

For the purposes of reporting as set out in Note 1, the Company has transitioned basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the "transition date").

In preparing opening Ind AS balance sheet, Company has adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the company's financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.

#### A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS:

##### Ind AS optional exemptions

###### 1) Investment in Joint Ventures and subsidiaries

Ind AS 101 allows a first time adopter to record the carrying value of investment in joint venture as per IGAAP or fair value of investment in joint venture at transition date as deemed cost under Ind AS.

Accordingly, the Company has elected to carry its investment in joint venture at IGAAP carrying value on transition date.

###### 2) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their IGAAP carrying value.

###### 3) Decommissioning liabilities

Ind AS 101 provides the option to apply Ind AS 16 prospectively from the transition date. This provides relief from changes in a decommissioning, restoration to be added or deducted from the cost of asset to which it relates (including mining rights); the adjusted depreciable amount of the asset is then depreciated prospectively over remaining useful life.

Accordingly, the company has elected to avail this exemption, it has:

- a. measured the liability as at the date of transition;
- b. estimated the initial liability by discounting liability measured at historical risk adjusted discount rate
- c. calculated the accumulated depreciation on that amount, as at the date of transition to Ind AS.

###### 4) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

###### 5) Arrangement containing a lease

IND AS 101 provides the option to determine whether an arrangement existing at date of transition is, or contains, a lease based on the facts and circumstances at that date and not at lease start date.

Accordingly, the Company has elected to determine arrangement existing at the date of transition and not at lease start date.

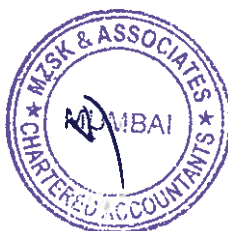
##### Ind AS mandatory exceptions

###### 1) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with IGAAP, except the following items where application of IGAAP did not require estimation.

- i) FVTOCI - Unquoted equity shares
- ii) FVTPL - Debt securities
- iii) Impairment of financial assets based on expected credit loss model



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**B. Reconciliations between IGAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

**Reconciliation of equity as at transition date (1 April 2015)**

	Notes	IGAAP *	Adjustments/Reclass	Ind AS
<b>ASSETS</b>				
<b>1. NON-CURRENT ASSETS</b>				
(a) Property, plant and equipment	1	3,591.84	(8.02)	3,583.82
(b) Capital work in progress		246.77	-	246.77
(c) Investment property	3	-	1.59	1.59
(d) Goodwill		549.59	-	549.59
(e) Other intangible assets	2(b)	17.15	2.50	19.65
(f) Intangible assets under development		-	-	-
(g) Financial assets				
(i) Investments		-	-	-
(ii) Loans		0.12	-	0.12
(iii) Other		127.69	-	127.69
(h) Other non current assets	8	386.10	(87.93)	298.17
		<b>4,919.26</b>	<b>(91.86)</b>	<b>4,827.40</b>
<b>2. CURRENT ASSETS</b>				
(a) Inventories		440.25	-	440.25
(b) Financial Assets				
(i) Current Investments		-	-	-
(ii) Trade receivables		458.19	-	458.19
(iii) Cash and cash equivalents		294.40	-	294.40
(iv) Other bank balances		3.96	-	3.96
(v) Loans		3.66	-	3.66
(vi) Others		70.58	-	70.58
(d) Other current assets	3	242.29	1.27	243.56
		<b>1,513.33</b>	<b>1.27</b>	<b>1,514.60</b>
<b>TOTAL ASSETS</b>		<b>6,432.59</b>	<b>(90.59)</b>	<b>6,342.00</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital		456.41	-	456.41
(b) Other Equity	2(b), 1, 3, 4, 6	3,522.41	(4.00)	3,518.41
		<b>3,978.82</b>	<b>(4.00)</b>	<b>3,974.82</b>
<b>LIABILITIES</b>				
<b>1. NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings		300.00	-	300.00
(ii) Other		8.50	-	8.50
(b) Provisions	2 (c)	23.21	5.51	28.72
(c) Deferred tax liabilities (Net)	6, 8	131.15	(90.04)	41.11
		<b>462.86</b>	<b>(84.53)</b>	<b>378.33</b>
<b>2. CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings		508.14	(1.18)	506.96
(ii) Trade payables		588.35	-	588.35
(iii) Others		424.69	-	424.69
(b) Provisions		146.00	54.36	200.36
(c) Other current liabilities		323.73	(55.24)	268.49
		<b>1,990.91</b>	<b>(2.06)</b>	<b>1,988.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,432.59</b>	<b>(90.59)</b>	<b>6,342.00</b>

\* IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



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Notes to financial statements for the year ended 31 March, 2017

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Reconciliation of equity as at 31 March 2016

	Notes	IGAAP *	Adjustments/Reclass	Ind AS
<b>ASSETS</b>				
<b>1. NON-CURRENT ASSETS</b>				
(a) Property, plant and equipment	1	3,656.07	(9.41)	3,646.66
(b) Capital work in progress		111.65	-	111.65
(c) Investment property	3	-	1.51	1.51
(d) Goodwill	4	423.95	125.64	549.59
(e) Other intangible assets	2(b)	27.56	(11.09)	16.47
(f) Intangible assets under development		12.58	-	12.58
<b>(g) Financial assets</b>				
(i) Investments		0.05	-	0.05
(ii) Loans		-	-	-
(iii) Other		77.84	-	77.84
(h) Other non current assets	8	420.64	(141.52)	279.12
		<b>4,730.34</b>	<b>(34.87)</b>	<b>4,695.47</b>
<b>2. CURRENT ASSETS</b>				
(a) Inventories		458.19	-	458.19
<b>(b) Financial assets</b>				
(i) Current Investments		-	-	-
(ii) Trade receivables		523.37	-	523.37
(iii) Cash and cash equivalents		171.39	-	171.39
(iv) Other bank balances		-	-	-
(v) Loans		3.48	-	3.48
(vi) Others		88.00	-	88.00
(d) Other current assets	3	254.75	(1.60)	253.15
		<b>1,499.18</b>	<b>(1.60)</b>	<b>1,497.58</b>
<b>TOTAL ASSETS</b>				
		<b>6,229.52</b>	<b>(36.47)</b>	<b>6,193.05</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital		456.41	-	456.41
(b) Other Equity	2(b), 1, 3, 4, 6	3,671.27	77.11	3,748.38
		<b>4,127.68</b>	<b>77.11</b>	<b>4,204.79</b>
<b>LIABILITIES</b>				
<b>1. NON-CURRENT LIABILITIES</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings		150.00	-	150.00
(ii) Others		7.67	-	7.67
(b) Provisions	2(c)	39.68	(11.85)	27.83
(c) Deferred tax liabilities (Net)	6, 8	227.62	(100.73)	126.89
		<b>424.97</b>	<b>(112.58)</b>	<b>312.39</b>
<b>2. CURRENT LIABILITIES</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings		152.50	-	152.50
(ii) Trade payables		626.09	-	626.09
(iii) Others		401.47	-	401.47
(b) Provisions		203.50	46.65	250.15
(c) Other current liabilities		293.31	(47.65)	245.66
		<b>1,676.87</b>	<b>(1.00)</b>	<b>1,675.87</b>
<b>TOTAL EQUITY AND LIABILITIES</b>				
		<b>6,229.52</b>	<b>(36.47)</b>	<b>6,193.05</b>

\* IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**Reconciliation of total comprehensive income for the year ended 31 March 2016**

	Notes	IGAAP*	Adjustments/Reclass	Ind AS
<b>INCOME</b>				
Revenue from Operations	9, 10	5,303.86	654.30	5,958.16
Other income		39.09	-	39.09
<b>TOTAL INCOME</b>		<b>5,342.95</b>	<b>654.30</b>	<b>5,997.25</b>
<b>EXPENSES</b>				
Cost of materials consumed		1,117.11	(5.69)	1,111.42
Purchase of Traded Goods		12.00	(1.79)	10.21
Power and fuel		889.03	-	889.03
Freight and forwarding charges		1,372.25	-	1,372.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(30.99)	-	(30.99)
Excise duty on sale of goods	9	-	679.63	679.63
Employee Benefits Expenses	5	304.22	(4.12)	300.10
Other Expenses		898.48	14.39	912.87
Depreciation and Amortization Expenses	1, 2(b), 3, 4	375.10	(124.64)	250.46
Finance costs	2(b), 10	119.52	(31.62)	87.90
<b>TOTAL EXPENSES</b>		<b>5,056.72</b>	<b>526.16</b>	<b>5,582.88</b>
<b>Profit before exceptional items and tax</b>		<b>286.23</b>	<b>128.14</b>	<b>414.37</b>
Exceptional items		42.87	-	42.87
<b>Profit before tax</b>		<b>243.36</b>	<b>128.14</b>	<b>371.50</b>
<b>Tax expense:</b>				
1. Current Tax		53.60	-	53.60
2. MAT credit utilised/(entitlement)		(53.60)	-	(53.60)
3. Deferred tax		96.47	44.34	140.81
4. Tax expense relating to earlier years		(0.16)	-	(0.16)
<b>Total tax expense</b>		<b>96.31</b>	<b>44.34</b>	<b>140.65</b>
<b>Profit/(Loss) for the period</b>		<b>147.05</b>	<b>83.80</b>	<b>230.85</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>I Items that will not be reclassified to profit and loss</b>				
i. Remeasurements gain/(losses) of post-employment benefit obligation	5	-	(4.12)	(4.12)
ii. Income tax related to above		-	1.43	1.43
<b>II Items that will be reclassified to profit and loss</b>				
i. Deferred gain/(losses) on cash flow hedge		-	2.77	2.77
ii. Income tax related to above		-	(0.96)	(0.96)
<b>Total comprehensive income for the year</b>		<b>147.05</b>	<b>82.92</b>	<b>229.97</b>

\* IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**

(All amounts are in INR crores, unless otherwise stated)

Reconciliation of Equity as per IGAP and as per Ind AS

Rs. In Crores

Particulars	Notes	Previous year ended 31.03.2016	As at 1 April, 2015
<b>Equity as per Previous Indian GAAP</b>		4,127.68	3,978.82
Unwinding of Site restoration liability	2(b)	1.92	2.57
Depreciation on site restoration	2(b)	(0.19)	(0.66)
Depreciation of freehold land used for mining	1	(9.41)	(8.02)
Depreciation on investment properties	3	(0.08)	-
Reversal of Goodwill amortisation	4	125.64	-
<b>Total impact</b>		<b>117.88</b>	<b>(6.11)</b>
Tax effect of above adjustment	6	(40.77)	2.11
<b>Equity as per Ind As</b>		<b>4,204.79</b>	<b>3,974.82</b>

The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	Notes	Previous year ended 31.03.2016
<b>Net Profit under previous Indian GAAP</b>		147.05
Reclassification of net actuarial loss on defined obligation to other comprehensive income	5	4.12
Unwinding of Site restoration liability	2(b)	(0.65)
Depreciation on site restoration	2(b)	0.47
Depreciation of freehold land used for mining	1	(1.38)
Depreciation on investment properties	3	(0.08)
Reversal of Goodwill amortisation	4	125.64
<b>Total Impact</b>		<b>128.12</b>
Tax effect of above adjustment	6	(44.32)
<b>Net Profit for the period under Ind-AS</b>		<b>230.85</b>
Other Comprehensive Income as per Ind AS		(0.88)
<b>Total Comprehensive Income as per Ind AS</b>		<b>229.97</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to financial statements for the year ended 31 March, 2017**

(All amounts are in INR crores, unless otherwise stated)

**Notes to the reconciliation**

**Ind AS adjustments entries:**

- 1 Under IGAAP, the land acquired for exploration and extraction of limestone is recognised in freehold land and carried at cost. Such freehold land is not depreciated or impaired. Under Ind AS, such freehold land used for mining is depreciated using unit of production method. Due to this, freehold land has decreased by Rs. 9.41 crore as on 31st March, 16 (1 April, 2015: Rs. 8.02 crore) and retained earnings has decreased by Rs. 6.15 crore (net of deferred tax) as on 31 March 2016 (1 April, 2015: Rs. 5.25 crore (net of deferred tax)). Depreciation for the year ended has been increased by Rs. 1.38 crore for the year ended 31 March 2016 and total comprehensive income decreased by Rs. 0.91 crore (Net of deferred tax).
- 2 Under IGAAP, the Company has created provision for the mine restoration at undiscounted amount. Mining restoration provision was expensed out till 31 March 2015. For year ended 31 March 16, Company has capitalised mine restoration provision. Under Ind AS, the Company has recognised the provision at the present value of estimated obligation. The unwinding of provision for restoration obligation has been accounted as finance cost and the corresponding asset has been depreciated using unit of production method. The Company has used optional exemption under Ind AS 101 to measure the provision on transition date.  
 Due to this:  
 a) Intangible assets has decreased by Rs. 11.09 crore (Net of amortisation) as on 31st March 16 (increased by Rs. 2.50 crore (Net of amortisation) as at 1 April, 2015)  
 b) Retained earnings has increased by Rs. 1.13 crore (net of deferred tax) as on 31 March 2016 (1 April, 2015: Rs. 1.25 crore (net of deferred tax)). Finance cost for the year ended 31 March 2016 has been increased by Rs. 0.65 crore, amortisation has been decreased by Rs.0.47 crore for the year ended 31 March 2016 and total comprehensive income decreased by Rs. 0.12 crore (Net of deferred tax).  
 c) Provision for mining restoration decreased by Rs. 12.81 crore as on 31 March 2016 (increased by Rs. 0.59 crore as on 1 April 2015)
- 3 Under IGAAP, the Company classified a residential flat owned by it as assets held for sale and did not depreciate it and included in other current assets. Under Ind AS, the said flat is classified as investment property since the criterion for classifying as assets held for sale as per Ind AS are not met and the said flat is held for future undetermined use.  
 Due to this, Investment property has increased by Rs. 1.51 crore (Net of amortisation) as on 31st March, 16 (1st April 2015: Rs. 1.59 crore). Retained earnings has decreased by Rs. 0.05 crore (net of deferred tax) as on 31 March 2016. Depreciation has been increased by Rs.0.08 crores for the year ended 31 March 2016 and total comprehensive income decreased by Rs. 0.05 crore (Net of deferred tax).
- 4 Under IGAAP, the company has amortised goodwill resulting from acquisitions over 10-35 years. Under Ind AS, goodwill is not amortised but tested for impairment at least annually.  
 Due to this, Goodwill has increased by Rs. 125.64 crore as on 31st March, 16. Retained earnings has increased by Rs. 82.16 crore (net of deferred tax) as on 31 March 2016. Amortisation has been decreased by Rs. 125.64 crores for the year ended 31 March 2016 and total comprehensive income increased by Rs. 82.16 crore (Net of deferred tax).
- 5 Under the IGAAP, the actuarial gains and losses were forming part of the profit or loss for the year. Under Ind AS, remeasurements i.e. actuarial gains and losses are recognised in other comprehensive income instead of profit or loss. Actuarial loss of Rs. 4.12 crore is reclassified from Employee Benefits Expenses to other comprehensive income, resulting in decrease in Employee Benefits Expenses.
- 6 The various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in relation to these underlying transaction either in retained earnings or a separate component of equity. The net impact of Ind AS adjustment is deferred tax liabilities of Rs. 40.77 crore as on 31 March 2016 (deferred tax assets of Rs. 2.11 crore as on 1 April 2015).
- 7 The transition from IGAAP to Ind AS has no material impact on the statement of cash flows.

**Mumbai Ind AS reclassification entries:**

- 8 Under IGAAP, MAT credit entitlement is presented under other non current assets. However, under Ind AS, MAT credit entitlement is considered as deferred tax assets and classified accordingly.
- 9 Under IGAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Due to this, Revenue from Operations is increased by Rs. 679.63 crores with corresponding increase in excise expenses.
- 10 Under IGAAP, cash discount of Rs. 32.27 crores is disclosed under Finance cost. Under Ind AS, cash discount is netted off from revenue. Due to this, Revenue from Operations is decreased by Rs. 32.27 crores with corresponding decrease in finance cost.

As per our report of even date

MZSK & Associates  
 Chartered Accountants  
 Firm Registration No. 105047W

Vishal Vilas Desai  
 Partner  
 Membership No. 118247



Place : Mumbai  
 Date : 22 May 2017

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Ujjwal Singh  
 MD & Country CEO  
 DIN: 01737511

Ajay Singh  
 Company Secretary

Place : Mumbai  
 Date : 22 May 2017

Sukesh Nareshbhai Shah  
 Director  
 DIN: 07211283



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Nuvoco Vistas Corporation Limited (formerly "Lafarge India Limited")

**Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Nuvoco Vistas Corporation Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and joint venture comprising the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

**Management's Responsibility for the Consolidated Ind AS Financial Statements**

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS 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 the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.





### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group and its joint venture as at 31<sup>st</sup> March, 2017, and its consolidated financial performance including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Other Matters

- a. We did not audit the Ind AS financial statements of one subsidiary (including the comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April, 2015), whose Ind AS financial statements reflect total assets of Rs. 500,000 and net assets of Rs. 477,050 as at 31 March 2017, total revenues of Rs. Nil and net cash outflows/inflows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit/loss of Rs. Nil for the year ended 31 March 2017, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose Ind AS financial statements (including the comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April, 2015), have not been audited by us. These Ind AS financial statements have been audited by the other auditors whose reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and joint venture, is based solely on the report of other auditors.

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



- b. The consolidated Indian GAAP financial statements of the Company for the year ended 31st March 2016, were audited by another auditor whose report dated 3 June 2016 expressed an unmodified opinion on those statements.
- c. The comparative financial information of the Holding Company for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose reports for the year ended 31 March 2015 and 31 March 2016 dated 9 June 2015 and 3 June 2016 respectively expressed an unmodified audit opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiary and joint venture, as noted in the 'Other Matters' paragraph above, we report, to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.



- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) In our opinion, there are no matters that may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture, none of the directors of the Group companies, and its joint venture is disqualified as on 31 March 2017 from being appointed as a director of that Company in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group, and its joint venture and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- (h) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and joint venture, as noted in the 'Other matters' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and its joint venture - Refer Note 25 and Note 47 to the consolidated Ind AS financial statements.
  - ii. The Group, and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2017.
  - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary and joint venture during the year ended 31<sup>st</sup> March, 2017.



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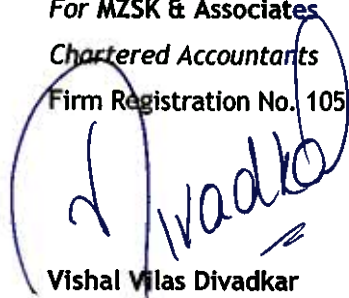
Chartered Accountants

- iv. The Company has provided requisite disclosures in the consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 50.

For MZSK & Associates

Chartered Accountants

Firm Registration No. 105047W



Vishal Vilas Divadkar

Partner

Membership No. 118247



Place : Mumbai

Date : May 22, 2017

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATION LIMITED (FORMERLY "LAFARGE INDIA LIMITED")**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Nuvoco Vistas Corporation Limited ("the Company") (hereinafter referred to as "the Holding Company") and its subsidiary company and joint venture, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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



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Chartered Accountants

### Opinion

In our opinion, the Holding Company, its subsidiary company and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

### Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For MZSK & Associates

Chartered Accountants

Firm Registration No. 105047W

  
Vishal Vilas Divadkar

Partner

Membership No: 118247

Place : Mumbai

Date : May 22, 2017



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Consolidated Balance Sheet as at 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	Note No.	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
(a) Property, plant and equipment	2	5,087.32	3,646.66	3,583.82
(b) Capital work-in-progress		127.98	111.65	246.77
(c) Investment property	3	1.43	1.51	1.59
(d) Goodwill	4	2,443.86	549.59	549.59
(e) Other intangible assets	4	1,383.38	16.47	19.65
(f) Intangible assets under development		15.16	12.58	-
(g) Financial assets				
(i) Investments	5	-	-	-
(ii) Loans	6	-	-	0.12
(iii) Other non-current financial assets	7	128.81	77.84	127.69
(h) Other non current assets	8	423.87	279.12	298.17
		<b>9,611.81</b>	<b>4,695.42</b>	<b>4,827.40</b>
<b>CURRENT ASSETS</b>				
(a) Inventories	9	361.04	458.19	440.25
(b) Financial assets				
(i) Current investments	10	412.19	-	-
(ii) Trade receivables	11	444.22	523.37	458.19
(iii) Cash and cash equivalents	12	71.80	171.44	294.40
(iv) Other bank balances	13	5.18	-	3.96
(v) Loans	14	1.99	3.48	3.66
(vi) Other current financial assets	15	100.31	88.00	70.58
(c) Other current assets	16	276.88	253.15	243.56
		<b>1,673.61</b>	<b>1,497.63</b>	<b>1,514.60</b>
<b>TOTAL ASSETS</b>		<b>11,285.42</b>	<b>6,193.05</b>	<b>6,342.00</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	17	150.00	456.41	456.41
(b) Other equity		3,798.95	3,748.38	3,518.41
(c) Non-controlling interest	57	-	-	-
		<b>3,948.95</b>	<b>4,204.79</b>	<b>3,974.82</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
(a) Financial liabilities				
(i) Borrowings	18	4,298.46	150.00	300.00
(ii) Other non-current financial liabilities	19	0.76	7.67	8.50
(b) Provisions (non-current)	20	48.65	27.83	28.72
(c) Deferred tax liabilities (net)	21	1,224.38	126.89	41.11
		<b>5,572.25</b>	<b>312.39</b>	<b>378.33</b>
<b>CURRENT LIABILITIES</b>				
(a) Financial liabilities				
(i) Borrowings	22	15.92	152.50	506.96
(ii) Trade payables	23	739.99	626.09	588.35
(iii) Other current financial liabilities	24	399.60	401.47	424.69
(b) Provisions (current)	25	276.50	250.15	200.36
(c) Other current liabilities	26	332.21	245.66	268.49
		<b>1,764.22</b>	<b>1,675.87</b>	<b>1,988.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,285.42</b>	<b>6,193.05</b>	<b>6,342.00</b>
<b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>				
	1			

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For MZSK & Associates

Chartered Accountants

Firm Registration No. 105047W

Vishal Vilas Divadkar

Partner

Membership No. 118247

Place : Mumbai

Date : 22 May 2017



For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Ujjwal Bhatia  
MD & Country CEO  
DIN: 0173315

Ajay Singh  
Company Secretary

Place : Mumbai  
Date : 22 May 2017

Suketu Nareshbhai Shah  
Director  
DIN: 07211283





**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

**Consolidated Statement of Profit and Loss for the year ended 31 March 2017**

*(All amounts are in INR crores, unless otherwise stated)*

Particulars	Note No.	2016-17	2015-16
<b>INCOME</b>			
Revenue from operations	27	5,832.46	5,958.16
Other income	28	29.27	39.09
<b>Total Income</b>		<b>5,861.73</b>	<b>5,997.25</b>
<b>EXPENSES</b>			
Cost of materials consumed	29	1,111.99	1,111.42
Purchase of stock in trade	30	14.01	10.21
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	27.59	(30.99)
Power and fuel		847.17	889.03
Freight and forwarding charges		1,361.40	1,372.25
Excise duty on sale of goods		675.48	679.63
Employee benefits expense	32	289.97	300.10
Depreciation and amortization expense	34	312.52	250.46
Finance costs	35	231.17	87.90
Other expenses	33	776.48	912.87
<b>Total expenses</b>		<b>5,647.78</b>	<b>5,582.88</b>
<b>Profit before share of profit/(loss) in joint venture, exceptional items and tax</b>		<b>213.95</b>	<b>414.37</b>
Share of profit/(loss) from joint venture	57	-	-
Exceptional items	54	17.81	42.87
<b>Profit before tax</b>		<b>196.14</b>	<b>371.50</b>
<b>Tax expense:</b>			
1. Current Tax (MAT)	37	57.01	53.60
2. MAT credit entitlement	37	(57.01)	(53.60)
3. Deferred tax (excluding MAT credit entitlement)	37	123.75	140.81
4. Tax expense relating to earlier years	37	(93.28)	(0.16)
<b>Total tax expense</b>		<b>30.47</b>	<b>140.65</b>
<b>Profit after tax</b>		<b>165.67</b>	<b>230.85</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>I Items that will not be reclassified to statement of profit and loss</b>			
i. Remeasurements gain/(losses) of post-employment benefit obligation		0.19	(4.12)
ii. Income tax related to above		(0.07)	1.43
		<b>0.12</b>	<b>(2.69)</b>
<b>II Items that will be reclassified to statement of profit and loss</b>			
i. Deferred gain/(losses) on cash flow hedge		0.09	2.77
ii. Income tax related to above		(0.03)	(0.96)
		<b>0.06</b>	<b>1.81</b>
<b>Other comprehensive income for the year</b>		<b>0.18</b>	<b>(0.88)</b>
<b>Total comprehensive income for the year</b>		<b>165.85</b>	<b>229.97</b>
<b>Profit attributable to:</b>			
Equity holders of the parent		165.67	230.85
Non-controlling interests		-	-
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent		165.85	229.97
Non-controlling interests		-	-
<b>Earnings per equity share</b>			
1. Basic (INR)	36	2.08	5.06
2. Diluted (INR)		2.08	5.06
<b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>			
	1		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For MZSK & Associates  
Chartered Accountants  
Firm Registration No. 105047W

Vishal Vilas Darda  
Partner  
Membership No. 118247

Place : Mumbai  
Date : 22 May 2017



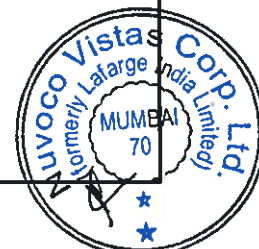
For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited  
CIN: U26940MH1999PLC118229

Ujjwal Bhatia  
MD & Country CEO  
DIN: 01737515

Ajay Singh  
Company Secretary

Place: Mumbai  
Date: 22 May 2017

Suketu Nareshbhai Shah  
Director  
DIN: 07211283



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

**Consolidated Statement of Cash Flows for the year ended 31 March 2017**

(All amounts are in INR crores, unless otherwise stated)

Particulars	2016-17	2015-16
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	196.14	371.50
<i>Adjustments for:</i>		
Depreciation and Amortisation Expense	312.52	250.46
Unrealised foreign exchange (gain)/loss (Net)	(0.54)	1.41
Provision for bad/doubtful debts and advances	5.50	7.83
Bad debts	0.00	0.01
Provision for indirect taxes / legal cases	16.20	51.39
Provision/liabilities no longer required, written back	(27.21)	(81.24)
Property, Plant & Equipment/CWIP written off	7.27	9.88
Profit on sale of Property, Plant & Equipment (net)	-	(0.28)
Gain on sale of current investments	(14.19)	(13.02)
Fair value gain on financial instruments at fair value through profit and loss	(2.22)	(1.22)
Stores and spares written off	-	10.54
Interest income on bank deposits	(3.10)	(15.60)
Interest income on others	(4.15)	(3.56)
Finance costs	231.17	87.90
	<b>717.39</b>	<b>676.00</b>
<i>Operating profit before working capital adjustments:</i>		
<i>Adjustments for working capital :</i>		
(Increase)/ Decrease in Inventories	97.15	(28.48)
(Increase)/ Decrease in trade and other receivables	73.64	(73.02)
(Increase) / Decrease in loans and advances and other non current assets	(140.18)	23.34
Increase in trade / other payables, provisions and other liability	233.94	112.98
	<b>981.94</b>	<b>710.82</b>
Income Tax paid (Net)	(59.72)	(50.91)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>922.22</b>	<b>659.91</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase and construction of property, plant and equipment	(141.37)	(228.22)
Proceeds from disposal of fixed assets	-	0.43
Purchase of current investments	(2,366.26)	(2,414.50)
Proceeds from sale of current investments	1,970.48	2,427.52
Loans given during the year	1.76	(0.69)
Interest received	6.44	20.40
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(528.95)</b>	<b>(195.06)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(300.00)	(500.00)
Interest paid	(203.49)	(91.77)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(503.49)</b>	<b>(591.77)</b>
Net decrease in cash and cash equivalents (A+B+C)	(110.22)	(126.92)
Cash and cash equivalents at the beginning of the year	171.44	298.36
Additions through amalgamation	15.76	-
<b>Cash and cash equivalents at the end of the year (Refer note 12 and 13) *</b>	<b>76.98</b>	<b>171.44</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>		
Cash and Bank Balances as per Balance Sheet [Note 12 & 13]		
Cash on hand	0.05	0.10
Cheques/drafts on hand	2.96	49.90
Bank balances (including bank deposits)	73.97	121.44
<b>Cash and Cash equivalents as restated as at the year end</b>	<b>76.98</b>	<b>171.44</b>

**Notes :**

\* Includes cash collateral of Rs. 5.18 crore (Previous year Nil) as at the balance sheet date maintained by the group for collateral of disputed indirect tax cases.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

For MZSK & Associates

Chartered Accountants

Firm Registration No. 1030471

Vishal Vilas Divadkar  
Partner  
Membership No. 11824



Place: Mumbai  
Date : 22 May 2017

Ujjwal Bajaj  
MD & Country CEO  
DIN: 01737515

Ajay Singh  
Company Secretary

Place: Mumbai  
Date : 22 May 2017

Suketu Nareshbhai Shah  
Director  
DIN: 07211283



Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Consolidated Statement of Changes in Equity for the year ended 31 March 2017 (SOCIE)

(All amounts are in INR crores, unless otherwise stated)

	31-Mar-17		31-Mar-16		01-Apr-15	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Share Capital</b>						
Balance at the beginning of the reporting period	45,64,12,778	456.41	45,64,12,778	456.41	45,64,12,778	456.41
Cancellation of equity shares per merger scheme (Refer note 51)	(45,64,12,778)	(456.41)	-	-	-	-
Issue of new equity shares per merger scheme (Refer note 51)	15,00,00,000	150.00	-	-	-	-
Balance at the end of the reporting period	15,00,00,000	150.00	45,64,12,778	456.41	45,64,12,778	456.41

Other equity

Particulars	Reserves and Surplus							Equity component of compound instrument	Total			
	Capital reserve	Capital reserve on amalgamation (Refer note 51)	Securities premium	Capital redemption reserve	Debt redemption reserve	Amalgamation Reserves	General reserve			Statutory Reserve Under Section 451C of RBI Act	Retained earnings	Cash flow hedge reserve (Refer note 43)
Balance as at 1 April 2015	37.33	-	1,326.56	23.33	61.98	2.53	90.00	0.01	1,978.60	(1.93)	-	3,518.41
Profit for the year	-	-	-	-	-	-	-	-	230.85	-	-	230.85
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	(2.69)	1.81	-	(0.88)
Total comprehensive income	-	-	-	-	-	-	-	-	228.16	1.81	-	229.97
Transfer to Debt redemption reserve from retained earning	-	-	-	-	25.52	-	-	-	(25.52)	-	-	-
Transfer from Debt redemption reserve to retained earning	-	-	-	-	(87.50)	-	-	-	87.50	-	-	-
Balance at 31 March, 2016	37.33	-	1,326.56	23.33	-	2.53	90.00	0.01	2,268.74	(0.12)	-	3,748.38
Profit for the year	-	-	-	-	-	-	-	-	165.67	-	-	165.67
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	0.12	0.06	-	0.18
Total comprehensive income	-	-	-	-	-	-	-	-	165.79	0.06	-	165.85
Amalgamation of Nirchem Cement Limited (Refer note 51)	-	(1,053.75)	-	-	-	-	-	-	4.31	-	934.16	(115.28)
Transfer to Debt redemption reserve from retained earning	-	-	-	-	183.00	-	-	-	(183.00)	-	-	-
Balance at 31 March, 2017	37.33	(1,053.75)	1,326.56	23.33	183.00	2.53	90.00	0.01	2,255.84	(0.06)	934.16	3,796.95

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For MZSK & Associates

Chartered Accountants

Firm Registration No. 116041

*(Signature)*

Vishal Viteja Dvadar

Partner

Membership No. 118247



For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited  
CIN: U26940MH1999PLC118229



*(Signature)*

Sudetu Nareshbhai Shah

Director

DIN: 07211283

Ujjwal Batra

MD & Country, CEO

DIN: 01737515

*(Signature)*

Ajay Singh

Company Secretary

Place: Mumbai

Date: 22 May 2017

**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to consolidated financial statements for the year ended 31 March 2017**

**A. Company Information**

Nuvoco Vistas Corporation Limited (Formerly known as Lafarge India Limited) ("the Company") is a limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The registered office is located at Equinox Business Park, Tower-3, 4th Floor, LBS Marg, Off BKC, Kurla (West), Mumbai – 400070. The Company is principally engaged in the business of manufacturing and sale of Cement and Ready Mix along with trading and manufacturing of Aggregates. The Company caters mainly to the domestic market.

The consolidated financial statement of the Group for the year ended 31<sup>st</sup> March, 2017 was authorized for issue in accordance with a resolution of Directors on 22nd May, 2017.

**B. Summary of significant accounting policies**

**a) Basis of preparation**

The consolidated financial statements of the Company, its subsidiary (together "the Group") and its jointly controlled entity have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act. The consolidated financial statements up to year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended), notified under section 133 of the Act and other relevant provisions of the Act. These consolidated financial statements are the first financial statements of the Group under Ind AS. The date of transition to Ind AS is 1 April, 2015. Refer note 58 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Group's financial position, financial performance and cash flows.

The consolidated financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities (including derivative financial instruments)
- defined benefit plans – plan assets measured at fair value

**b) Principles of Consolidation**

- i) The Consolidated Financial Statement comprises the financial statements of the Company, its subsidiary and joint venture. Reference in these notes to the "group" shall mean to include Nuvoco Vistas Corporation Limited (Formerly known as Lafarge India Limited) (and/or its subsidiary/joint venture consolidated in these financial statements unless otherwise stated.
- ii) The list of companies which are included in consolidation and the Parent company's holdings therein are as under:



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to consolidated financial statements for the year ended 31 March 2017**

<b>Name of the Company</b>	<b>Percentage Holding March 31, 2017</b>
a) Subsidiaries	
1) Rima Eastern Cement Limited (formerly known as Lafarge Eastern India Limited)	100%
b) Joint Venture	
1) Wardha Vaalley Coal Field Private Limited	19.14%

Each of the above company is incorporated in India and financial statements are drawn upto the same reporting date as that of the parent Company i.e. 31<sup>st</sup> March, 2017.

- iii) The consolidated financial statements of the Company and its subsidiary company have been prepared in accordance with the Ind AS 110 "Consolidated Financial Statements". The intra-group balances, intra-group transactions and unrealised profits/losses if any are fully eliminated.
- iv) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- v) The excess cost of the Company of its investment in the subsidiary, on the acquisition dates over and above the Company's share of fair value of net identifiable assets acquired and liability assumed in the subsidiary, is recognised in the Consolidated Financial Statements as Goodwill. On the other hand, where the share of fair value of net identifiable assets acquired and liability assumed as on the date of investment is in excess of cost of investments of the Company, it is recognised as "Capital Reserve".
- vi) The Company's investments in the joint venture are accounted for using the equity method. Under the equity method, the investment in the joint venture is initially recognised at cost. The carrying amount is adjusted to recognise changes in the Company's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. If the Company's share of losses of a joint venture equals or exceeds its interest in joint venture, the Company discontinues recognising further losses. Additional losses are recognised only to the extent the Company has a legal or constructive obligation or made payments on behalf of other joint ventures. If the joint venture subsequently reports profit, the Company resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to consolidated financial statements for the year ended 31 March 2017**

**c) Revenue recognition**

**Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts, incentives and volume rebates. It includes excise duty and excludes value added tax/sales tax.

**Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

**Dividends**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

**d) Property, plant and equipment**

Freehold land is carried at historical cost, except the freehold land used for mining. All other items of property, plant and equipment are stated at acquisition cost of the items net of depreciation and impairment losses (if any). Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Items of spare parts that meets the definition of 'property, plant and equipment' is recognised as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress ('CWIP') is stated at cost, net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as CWIP and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to consolidated financial statements for the year ended 31 March 2017**

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

The Group has a policy of capitalising overburden cost if the overburden removal exceeds normal annual overburden removal by more than 50% and the total amount of stripping cost related to excess removal is more than Rs. 0.50 Crores.

**Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**Depreciation methods, estimated useful lives and residual value**

Depreciation (other than on mining land) is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been determined based on technical evaluation which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The useful lives so determined are as follows:

Asset Type	Useful life (in years)
Buildings and roads	5 to 50
Plant and machinery	1 to 30
Railway sidings and locomotives	30
Office equipment	5 to 10
Vehicles	5
Furniture and fixtures	5 to 10
Leasehold land	Over the lease period
Mining land	Amortised on the unit of production method based on extraction of limestone from mines

Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Cost of lease-hold land is amortized equally over the period of lease.

Residual values, useful life of assets and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year.



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)  
Notes to consolidated financial statements for the year ended 31 March 2017**

**e) Investment property**

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date i.e. 1 April 2015.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over 30 years from the date of original purchase.

The Group, based on management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

**f) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

***Transition to Ind AS***

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the intangible assets.

**Amortisation methods, estimated useful lives and residual value**

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable, except for mining rights





**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to consolidated financial statements for the year ended 31 March 2017**

The useful lives of intangible assets are assessed as either finite or indefinite. The useful lives so determined are as follows:

Asset Type	Useful life (in years)
Mining Rights	Amortised on the unit of production method based on extraction of limestone from mines but restricted upto the lease period (in case of Leasehold Land)
Supplier agreement	(Finite) Upto the validity of the Contract
Trademark	(Finite) 10
Software	(Finite) 5

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level, and whenever there is an indication that the intangible asset may be impaired. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

**g) Impairment of non-financial 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) fair value less costs of disposal and its value in use. 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. When 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.

Recoverable amount is determined:

1. In case of individual asset, at higher of the fair value less cost to sell and value in use; and
2. In case of cash-generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, present



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
**Notes to consolidated financial statements for the year ended 31 March 2017**

market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover 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. In any case the growth rate does not exceed the long term average growth rate for the products/industries in which the entity operates.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

**h) Leases**

**Group as a lessee**

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**Group as a lessor**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**i) Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset till such time the asset is ready for



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)  
Notes to consolidated financial statements for the year ended 31 March 2017**

its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (Generally over twelve months) to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that a Group incurs in connection with the borrowing of funds.

**j) Financial instruments**

**A. Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized entire in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

**Financial asset at amortised cost**

A financial asset is measured at amortised cost if following two conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Financial assets at fair value**

**Debt instruments**

A debt instrument is classified as at fair value through OCI if following two conditions are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI



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Debt instrument included within the fair value through other comprehensive income are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

All other investment in debt instruments not measured at amortised cost or at FVTOCI as described above are measured at fair value through profit and loss.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration, recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit or loss. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the fair value through profit or loss category are measured at fair value with all changes recognised in the statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

1. The rights to receive cash flows from the asset have expired, or
2. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - a) the Group has transferred substantially all the risks and rewards of the asset, or
  - b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

**Impairment of financial assets**

The Group assesses impairment based on expected credit loss (ECL) model to the following:



**Nuvoco Vistas Corporation Limited (formerly known as Lafarge India Limited)**  
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1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

#### **Financial liabilities**

##### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings
3. Financial guarantee contracts

##### **Financial liabilities at fair value through profit or loss**



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Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**B. Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



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**C. Derivative financial instruments and hedge accounting**

**Initial recognition and subsequent measurement**

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

**Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the OCI



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carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**k) Investment in joint ventures**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Group accounts for investment in Joint venture using the equity method.

**l) Compulsorily Convertible Debentures:**

Compulsorily Convertible Debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 *Financial Instruments: Presentation* criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible debentures shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

**m) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When grants relates to an assets it is recognised as income in equal amounts over the expected useful life of the related asset.

**n) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.





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Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

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

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

1. deductible temporary differences;
2. the carry forward of unused tax losses; and
3. the carry forward of unused tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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 taxes relate to the same 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 Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. 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 income tax during the specified period.

**o) Inventories**

Inventories are valued at the lower of cost and Net Realisable Value (NRV)



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**Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the actual level of production which approximates normal operating capacity, but excluding borrowing costs.

**Stores, spares and other supplies:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Items of stores and spares that does not meet the definition of 'property, plant and equipment' is recognised as a part of inventories.

**Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

**p) Employee benefits**

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Group also has additional death benefit scheme for specific set of employees. This death benefit scheme is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs



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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**Other Long-term employee benefits**

Other long term employee benefits are recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation technique. Actuarial gains and loss in respect of other long term benefits are charged to the statement of profit and loss.

**q) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**r) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**s) Operating Segment:**

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**t) Provisions, Contingent liabilities, Contingent assets and Commitments:**  
**General**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits



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will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**u) Earnings per share**

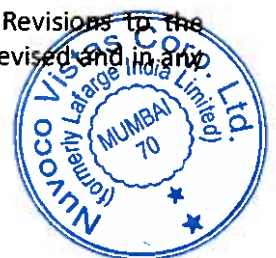
Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity 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 profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**v) Significant accounting estimates and judgments**

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



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Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes together with the accounting policies:

- Note 39 - Current tax expense
- Note 40 - Measurement of defined benefit obligations
- Note 52 - Provisions and contingencies
- Note 4 – Impairment of assets (both financial and non-financial)
- Note 22 – Site restoration provision
- Note 44 - Fair value measurement of financial instruments
- Note 2 – Useful life of Property, plant and equipment
- Note 4 – Useful life of Other intangible assets
- Note 58 – Existence of joint control and classification of joint arrangement

**w) Current and non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period,  
Or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period,  
Or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

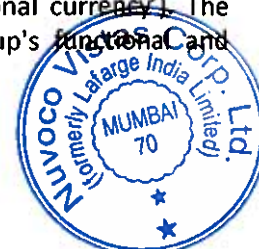
All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**x) Foreign currency translation**

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.



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**Transactions and balances**

Transactions in foreign currencies are initially recorded at functional currency, using the foreign exchange rate at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

At each balance sheet date, foreign currency monetary assets and liabilities are translated at the functional currency using the foreign exchange rate at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or the statement of profit and loss are also recognised in other comprehensive income or the statement of profit and loss, respectively).

**y) Fair value measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability,  
Or
2. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.



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2. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
3. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**z) Exceptional items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**aa) Business combinations under common control**

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combined entity are reflected at their carrying amounts, the only adjustment that are made are to harmonize accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

**bb) Rounding off**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated. Any amount appearing as Rs.0.00 represents amount less than Rs.50,000.



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**cc) Standards issued but not yet effective and have not been adopted early by the Group**

**Ind AS 7, 'Statement of Cash Flows'**

The Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 (the 'Amendment rules') on 17 March 2017, notifying amendment to Ind AS 7, 'Statement of Cash Flows'.

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

These amendments shall come into force on the 1st day of April, 2017 and Group shall apply the amendments in its financial statements for annual periods beginning on or after 1 April 2017.

During initial application of the amendment in Ind AS 7, Group will have to give reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.





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(All amounts are in INR Crores, unless otherwise stated)

**2. Property, plant and equipment**

Description	Land - Freehold (a)	Land - Leasehold	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives (b)	Furniture & Fixtures	Office Equipment	Vehicles	Total
Cost as at 1 April 2015 (A) (Refer note c)	312.55	35.40	3.82	807.67	3,405.24	424.74	10.27	36.95	2.71	5,039.35
Additions	33.44	0.12	-	40.77	129.82	106.33	0.49	2.58	0.35	313.90
Disposals/adjustments	-	-	-	(8.54)	(8.49)	(13.94)	(0.11)	(7.05)	(0.04)	(38.17)
Cost as at 31 March 2016 (C)	345.99	35.52	3.82	839.90	3,526.57	517.13	10.65	32.48	3.02	5,315.08
Additions	1.99	0.28	-	5.93	48.76	1.69	0.01	0.20	0.24	59.10
Adjustment due to Business Combination (Refer note 51)	249.35	67.94	-	455.33	1,557.96	147.23	-	0.00	-	2,477.81
Disposals/adjustments	-	-	-	(0.07)	(9.19)	-	(2.81)	(2.14)	(0.11)	(14.32)
Cost as at 4 October 2016 (E)	597.33	103.74	3.82	1,300.09	5,124.10	666.05	7.85	30.54	3.15	7,837.67
Additions	2.54	(0.28)	-	5.32	36.79	-	0.21	1.55	0.25	46.38
Disposals/adjustments	-	-	-	(0.17)	(1.59)	(13.94)	(0.00)	(0.00)	-	(15.70)
Cost as at 31 March 2017 (G)	599.87	103.46	3.82	1,306.24	5,159.30	652.11	8.06	32.09	3.40	7,868.35
Accumulated depreciation as at 1 April 2015 (B)	8.02	7.68	2.54	195.35	1,102.60	106.90	5.73	25.15	1.56	1,455.53
Depreciation for the year	1.39	0.70	0.13	42.90	167.90	24.76	0.73	3.70	0.33	242.54
Disposals/adjustments	-	-	-	(6.79)	(3.70)	(12.29)	(0.08)	(6.75)	(0.04)	(29.65)
Accumulated depreciation as at 31 March 2016 (D)	9.41	8.38	2.67	231.46	1,266.80	119.37	6.38	22.10	1.85	1,668.42
Depreciation for the period	0.54	0.68	0.12	22.03	86.05	12.46	0.35	1.95	0.18	124.36
Adjustment due to Business Combination (Refer note 51)	-	(0.76)	-	186.31	609.38	72.69	-	-	-	867.62
Disposals/adjustments	-	-	-	(0.03)	(4.37)	-	(2.73)	(2.02)	(0.11)	(9.26)
Accumulated depreciation as at 4 October 2016 (F)	9.95	8.30	2.79	439.77	1,957.86	204.52	4.00	22.03	1.92	2,651.14
Depreciation for the period	0.54	0.58	0.04	18.47	116.75	11.12	0.36	1.52	0.22	149.60
Disposals/adjustments	-	-	-	(0.10)	(5.67)	(13.94)	(0.00)	0.00	-	(19.71)
Accumulated depreciation as at 31 March 2017 (H)	10.49	8.88	2.83	458.14	2,068.94	201.70	4.36	23.55	2.14	2,781.03
Net carrying amount as at April 1, 2015 (A)-(B)	304.53	27.72	1.28	612.32	2,302.64	317.84	4.54	11.80	1.15	3,583.82
Net carrying amount as at March 31, 2016 (C)-(D)	336.58	27.14	1.15	606.44	2,259.77	397.76	4.27	10.38	1.17	3,646.66
Net carrying amount as at October 4, 2016 (E)-(F)	587.38	95.44	1.03	861.32	3,166.24	461.53	3.85	8.51	1.23	5,186.53
Net carrying amount as at March 31, 2017 (G)-(H)	589.38	94.58	0.99	848.10	3,090.36	450.41	3.70	8.54	1.26	5,087.32

Notes:

a. Freehold land includes Rs. 0.59 Crore (31 March 2016 - Rs. 0.59 Crore) being used by third party.

b. Railway sidings & locomotives include assets given on lease to railways under "own your wagon scheme" amounting to Nil (31 March 2016 - Rs. 27.00 Crore, 1 April 2015 - Rs. 40.90 Crore)

c. The Group has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition (i.e. 1 April 2015). Refer below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP:

Description	Land - Freehold #	Land - Leasehold	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives	Furniture & Fixtures	Office Equipment	Vehicles	Total
Gross Block	312.55	35.40	3.82	807.67	3,405.24	424.74	10.27	36.95	2.71	5,039.35
Accumulated Depreciation	-	-	2.54	195.35	1,102.60	106.90	5.73	25.15	1.56	1,447.51
Net Block*	312.55	27.72	1.28	612.32	2,302.64	317.84	4.54	11.80	1.15	3,591.84

\* Considered as deemed cost at 1 April 2015

# There has been an adjustment on transition date. Refer note 56 on transition to IND-AS 101 for details.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

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(All amounts are in INR crores, unless otherwise stated)

**3. Investment property**

Description	Amount
Cost as at 1 April 2015 (A)	1.59
Additions	-
Disposals/transfer	-
Cost as at 31 March 2016 (C)	1.59
Additions	-
Disposals/transfer	-
Cost as at 31 March 2017 (E)	1.59
Accumulated depreciation as at 1 April 2015 (B)	-
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2016 (D)	0.08
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2017 (F)	0.16
Net carrying amount as at 1 April 2015 (A)- (B)	1.59
Net carrying amount as at 31 March 2016 (C)- (D)	1.51
Net carrying amount as at 31 March 2017 (E)- (F)	1.43

For investment property existing as on the date of transition the group has used previous GAAP value as deemed cost. The group has received independent broker's quote for purchase of the investment property at Rs. 1.59 crores (previous year Rs. 1.59 crores).

**4. Goodwill and Other intangible assets**

Description	Other Intangible Assets						Goodwill
	Software	Mining rights	Trade Mark	Non Compete Agreement	Suppliers Agreement	Total	
Cost as at 1 April 2015 (A) (Refer Note below)	39.85	17.81	10.00	71.90	-	139.56	1,401.23
Additions	2.32	2.31	-	-	-	4.66	-
Disposals/adjustments	(0.60)	-	-	-	-	(0.60)	-
Cost as at 31 March 2016 (C)	41.57	20.15	10.00	71.90	-	143.62	1,401.23
Additions	-	14.33	-	-	-	14.33	-
Adjustment due to Business Combination ( Refer note 31)	-	862.07	496.66	-	17.78	1,376.51	1,894.27
Disposals/adjustments	(0.05)	-	-	-	-	(0.05)	-
Cost as at 4 October 2016 (E)	41.52	896.55	506.66	71.90	17.78	1,534.41	3,295.50
Additions	14.55	-	-	-	-	14.55	-
Disposals/adjustments	(0.00)	-	-	-	-	(0.00)	-
Cost as at 31 March 2017 (G)	56.07	896.55	506.66	71.90	17.78	1,548.96	3,295.50
Accumulated amortisation as at 1 April 2015 (B)	31.88	6.13	10.00	71.90	-	119.91	851.64
Amortisation for the period	6.26	1.58	-	-	-	7.84	-
Disposals/adjustments	(0.60)	-	-	-	-	(0.60)	-
Accumulated amortisation as at 31 March 2016 (D)	37.54	7.71	10.00	71.90	-	127.15	851.64
Amortisation for the period	0.61	0.77	-	-	-	1.38	-
Disposals/adjustments	(0.05)	-	-	-	-	(0.05)	-
Accumulated amortisation as at 4 October 2016 (F)	38.10	8.48	10.00	71.90	-	128.48	851.64
Amortisation for the period	0.75	9.30	24.83	-	2.22	37.10	-
Disposals/adjustments	-	-	-	-	-	-	-
Accumulated amortisation as at 31 March 2017 (H)	38.85	17.78	34.83	71.90	2.22	165.58	851.64
Net carrying amount as at 1 April 2015 (A)- (B)	7.97	11.68	-	-	-	19.65	549.59
Net carrying amount as at 31 March 2016 (C)- (D)	4.03	12.44	-	-	-	16.47	549.59
Net carrying amount as at October 4, 2016 (E)- (F)	3.42	888.07	496.66	-	17.78	1,405.93	2,443.86
Net carrying amount as at 31 March 2017 (G)- (H)	17.22	878.77	471.83	-	15.56	1,383.38	2,443.86

Note:  
The group has availed the deemed cost exemption in relation to the intangible assets on the date of transition (i.e. 1 April 2015). Refer below for the gross block value and the accumulated amortisation on April 1, 2015 under the previous GAAP:

Description	Gross Block	Accumulated Amortisation	Net Block*
Goodwill	1,401.23	851.64	549.59
Software	39.85	31.88	7.97
Mining Rights #	15.32	6.13	9.19
Trade Mark	10.00	10.00	-
Non Compete Agreement	71.90	71.90	-
Total	1,538.30	971.55	566.75

\* Considered as deemed cost at 1 April 2015

# There has been an adjustment on transition date. Refer note 56 on transition to IND-AS 101 for details.



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(All amounts are in INR crores, unless otherwise stated)

**Impairment testing of goodwill with indefinite lives**

Goodwill pertains to the two CGUs below, which are also operating and reportable segments, for impairment testing:

- ▶ Cement CGU
- ▶ Ready Mix CGU

Carrying amount of goodwill pertains to each of the CGUs:

	Cement			RMX		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Goodwill	2017.85	123.58	123.58	426.01	426.01	426.01

The Company performed its annual impairment test for years ended 31 March 2017 and 31 March 2016 respectively and in accordance with IND AS 101 at the date of transition to IND AS i.e. 1 April 2015. No Goodwill impairment was deemed necessary as at 1 April 2015.

**i. Cement CGU**

The recoverable amount of the Cement CGU, Rs.4,450 Crs. as at 31-Mar-17, has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Cement. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 15.06% and cash flows beyond the five-year period are extrapolated using a 3.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the fair value less costs of disposal exceeded the value in use and hence there is no impairment.

**ii. Ready Mix CGU**

The recoverable amount of the Ready mix CGU, Rs.689 Crs. as at 31-Mar-17, has been determined based on a value in use calculation using cash flow projections from financial budgets covering a five-year period. The projected cash flows have been updated to reflect the demand for Ready mix. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 15.06% and cash flows beyond the five-year period are extrapolated using a 3.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the fair value less costs of disposal exceeded the value in use and hence there is no impairment.

**Key assumptions used for value in use calculations**

The calculation of value in use for both units is most sensitive to the following assumptions:

- (1) Sales Growth rate
- (2) Raw Material price inflation
- (3) Market growth rate

**Sales Growth Rate** - Management expects a stable sales growth rate over the forecast period, the management further expects the group position in relative to its competitors to strengthen following sales aggressive targets taken by the group.

**Raw Material Price inflation** - Past material price movements are used as indicators of future price movements.

**Market growth rate** - Management expects the group position in Cement & RMX business to be stable over the forecast period, the management further expects the group position in relative to its competitors to strengthen following sales aggressive targets taken by the group.

**Sensitivity to changes in assumptions**

The implications of the key assumptions for the recoverable amount are discussed below:

**Sales Growth Rate** - Management recognises the effect of new entrant and additional capacity expansion of existing competitors as not to have material adverse impact on the forecasts.

**Raw Material Price inflation** - The management has considered the possibility of greater than forecast increases in raw material price inflation. This may occur if anticipated regulatory changes result in an increase in demand that cannot be met by suppliers. If prices of raw materials increase greater than the forecast price inflation, then the RMX CGU will have to pass on such increase to the customer, for Cement CGU raw material prices do not vary significantly.

**Market growth rate** - Based on industrial data and infrastructure growth action taken by the government, the group is of the view that the growth rate will be higher than the forecast estimated by the group.

While it is unlikely for all the above assumptions to move adversely together, it would require a significant increase/ decrease to result in an impairment charge.



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(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>5. Non current investments</b>			
Unquoted, valued at cost unless stated otherwise			
<b>a. Investment in joint venture</b>			
861,300 (31 March 2016 - 861,300, 1 April 2015 - 861,300) equity shares of Rs. 10/- each fully paid up in Wardha Vaalley Coal Field Private Limited (Refer Note below)	0.86	0.86	0.86
Less: Provision for impairment	(0.86)	(0.86)	(0.86)
	-	-	-
<b>Note :</b>			
The Ministry of Coal had allotted a coal block in the state of Maharashtra to a consortium in which the group is a member. The group plans to carry out mining activities through Wardha Vaalley Coal Field Private Limited, a joint venture Company incorporated in India as a special purpose vehicle. The group's ownership in the jointly controlled entity is 19.14%. The other owners in the joint venture being IST Steel & Power Limited (53.59%) and Ambuja Cements Limited (27.27%).			
In prior years, the allotment of the coal block has been cancelled and the Joint Venture (JV) company has been show caused for allegedly not achieving the progress milestones in the development of the mine. De-allocation of the coal block has been challenged before the Hon'ble Delhi High Court and the matter is sub-judice. The guarantees given by the JV has also been sought to be invoked but the same has been stayed by the Hon'ble Delhi High Court subject to the guarantee being kept alive. Subsequently such guarantee furnished by the group has been cancelled. (Refer note 47)			
<b>c. Investment in others</b>			
<b>i. Equity investment (at FVTOCI)</b>			
1,925,924 (31 March 2016 - 1,925,924, 1 April 2015 - 1,925,924) Class A equity shares of Rs. 10/- each fully paid-up in VS Lignite Power Private Ltd.	1.93	1.93	1.93
<b>ii. Debt investment (at FVTPL)</b>			
4,828,298 (31 March 2016 - 4,828,298, 1 April 2015 - 4,828,298) 0.01% cumulative class A redeemable preference shares of Rs. 10/- each fully paid-up in VS Lignite Power Private Ltd.	4.83	4.83	4.83
Less: Provision for impairment	(6.76)	(6.76)	(6.76)
	-	-	-
<b>6. Loans</b>			
<b>Unsecured, considered good</b>			
Loans to related party	-	-	0.12
Sub total (a)	-	-	0.12
<b>Doubtful</b>			
Loans to related party#	1.07	1.07	-
Less: Provision for doubtful loans	(1.07)	(1.07)	-
Sub total (b)	-	-	-
<b>Total (a+b)</b>	-	-	<b>0.12</b>
<b># Represents intercorporate loan given to Wardha Vaalley Coal Field Private Limited for working capital requirements.</b>			
<b>7. Other non-current financial assets</b>			
<b>Unsecured, considered good</b>			
Deposits with govt. authorities and others	128.81	77.84	127.69
Sub total (a)	128.81	77.84	127.69
<b>Doubtful</b>			
Deposits with Govt. authorities and others	2.36	2.23	3.30
Less: Provision for doubtful deposits	(2.36)	(2.23)	(3.30)
Sub total (b)	-	-	-
<b>Total (a+b)</b>	<b>128.81</b>	<b>77.84</b>	<b>127.69</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

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(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>8. Other non current assets</b>			
<b>Unsecured, considered good</b>			
Capital advances	46.22	51.15	66.96
Advances recoverable	0.33	0.52	1.34
Prepaid expenses	1.20	0.87	0.38
Loans/advances to employees	-	-	0.58
Balances with excise authorities	0.81	-	0.46
Industrial promotional assistance	228.78	173.84	173.18
Advance income-tax (net of provision for taxation)	146.53	52.74	55.27
<b>Sub total (a)</b>	<b>423.87</b>	<b>279.12</b>	<b>298.17</b>
<b>Doubtful</b>			
Capital advances	1.26	1.26	1.26
Less: Provision for doubtful advances	(1.26)	(1.26)	(1.26)
<b>Sub total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Advances recoverable	-	-	0.62
Less: Provision for doubtful advances	-	-	(0.62)
<b>Sub total (c)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b+c)</b>	<b>423.87</b>	<b>279.12</b>	<b>298.17</b>
<b>9. Inventories</b>			
(Valued at cost or NRV whichever is lower)			
Raw materials (includes in transit and stock with third party Rs.6.30 crore (31 March 2016 - Rs.8.18 crore, 1 April 2015 - Rs.7.61 crore)	41.51	69.23	60.89
Work-in-progress (includes in transit Rs.8.55 crore (31 March 2016 - Rs.4.87 crore, 1 April 2015 - Rs.6.10 crore)	128.88	136.46	120.42
Finished goods (includes in transit - Rs. 0.96 (31 March 2016 - Rs.4.36 crore, 1 April 2015 - Rs.10.57 crore)	50.46	70.47	55.52
Stores and Spare Parts, Packing Material and Fuel (includes in transit and stock with third parties Rs. 11.05 crore (31 March 2016 - Rs.34.08 crore, 1 April 2015 - Rs.25.18 crore)	140.19	182.03	203.42
<b>Total</b>	<b>361.04</b>	<b>458.19</b>	<b>440.25</b>
<b>10. Current investments</b>			
Quoted, valued at fair value through statement of profit and loss			
<b>Investments in Mutual Funds</b>			
Reliance Liquid fund (1,778.68 Units)	0.70	-	-
SBI Premier Liquid fund (2,166.93 Units)	0.55	-	-
ICICI Pru Institutional Liquid Plan - SI - Growth (3,783,533 Units)	90.86	-	-
HDPC Liquid Fund - Growth (190,682 Units)	61.01	-	-
Tata Liquid Fund - Regular Plan - Growth (230760.726 Units)	68.99	-	-
Birla Cash Plus- IP - Growth (1542456.424 Units)	40.18	-	-
SBI Premier Liquid Fund - Super Institutional - Growth (154758.617 Units)	39.40	-	-
DSP Blackrock Liquidity Fund- IP-Daily Growth (176894.428 Units)	41.01	-	-
UTI Money Market - IP - Growth (382460.925 Units)	69.49	-	-
<b>Total</b>	<b>412.19</b>	<b>-</b>	<b>-</b>
Aggregate book value of quoted investments	412.19	-	-
Aggregate market value of quoted investments	412.19	-	-
<b>11. Trade receivables</b>			
Secured, considered good	134.90	187.07	157.05
Unsecured, considered good	309.32	336.30	301.14
Doubtful	56.25	55.37	50.27
	500.47	578.74	508.46
Provision for doubtful trade receivables	(56.25)	(55.37)	(50.27)
<b>Total</b>	<b>444.22</b>	<b>523.37</b>	<b>458.19</b>

No trade or other receivable are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.



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(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>12. Cash and cash equivalents</b>			
Cash on hand	0.05	0.10	0.10
Balances with bank			
- On current accounts	47.18	48.44	56.44
- Deposits with original maturity of less than three months	21.61	73.00	164.96
Cheques/drafts on hand	2.96	49.90	72.90
<b>Total</b>	<b>71.80</b>	<b>171.44</b>	<b>294.40</b>
<b>Note:</b>			
Short term deposits are made for varying periods depending on the immediate cash requirements of the group and earns interest at respective short term deposits rates.			
<b>13. Other bank balances</b>			
<b>Earmarked (restricted) balances with banks for :</b>			
Channel financing facility of dealers	-	-	3.96
Collateral for disputed indirect tax cases	5.18	-	-
<b>Total</b>	<b>5.18</b>	<b>-</b>	<b>3.96</b>
<b>14. Loans</b>			
<b>Unsecured, considered good</b>			
Loans and advances to related parties	-	1.76	0.82
Loans/advances to employees	1.99	1.72	2.84
<b>Sub total (a)</b>	<b>1.99</b>	<b>3.48</b>	<b>3.66</b>
<b>Doubtful</b>			
Loans and advances to related parties	-	-	0.16
Provision for doubtful advances	-	-	(0.16)
<b>Sub total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>1.99</b>	<b>3.48</b>	<b>3.66</b>
<b>15. Other current financial assets</b>			
<b>Unsecured, considered good, unless otherwise stated</b>			
Interest accrued on fixed deposits	0.83	0.02	1.22
Derivative assets (Refer Note 43)	0.00	0.02	-
Deposits with govt. authorities and others	99.48	87.96	69.36
<b>Sub total (a)</b>	<b>100.31</b>	<b>88.00</b>	<b>70.58</b>
<b>Doubtful</b>			
Deposits with govt. authorities and others	4.47	4.49	1.54
Provision for doubtful advances	(4.47)	(4.49)	(1.54)
<b>Sub total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>100.31</b>	<b>88.00</b>	<b>70.58</b>
<b>16. Other current assets</b>			
<b>Unsecured, considered good, unless otherwise stated</b>			
VAT recoverable	32.15	52.36	23.21
Balances with excise authorities	37.68	45.10	60.92
Advances recoverable	62.78	25.32	62.00
Fiscal incentive receivable	120.36	112.25	73.02
Other receivables	5.66	4.32	11.99
Advance income-tax (net of provision for taxation)	7.50	5.30	5.30
Prepaid expenses	10.75	8.50	7.12
<b>Total</b>	<b>276.88</b>	<b>253.15</b>	<b>243.56</b>



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(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>17. Equity share capital</b>			
<b>Authorized*</b>			
7,801,110,000 (31 March 2016 - 3,801,110,000 shares, 1 April 2015 - 3,801,110,000 shares) equity shares of Rs. 10/- each	7,801.11	3,801.11	3,801.11
1,000,000,000 (31 March 2016 - 1,000,000,000 shares, 1 April 2015 - 1,000,000,000 shares) preference shares of Rs. 10/- each	1,000.00	1,000.00	1,000.00
	<b>8,801.11</b>	<b>4,801.11</b>	<b>4,801.11</b>
<b>Issued, subscribed and fully paid-up</b>			
150,000,000 (31 March 2016 - 456,412,778 shares, 1 April 2015 - 456,412,778 shares) equity shares of Rs. 10/- each	150.00	456.41	456.41
	<b>150.00</b>	<b>456.41</b>	<b>456.41</b>

\*The movement in authorised and issued share capital during the year is due to merger scheme ( Refer note no.51)

**(a) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(b) Shares held by Nirma Limited (Holding Company) and shareholders holding more than 5% in the Company**

**Nirma Limited (Holding company w.e.f. 4th October 2016) (also Refer note 51)**

No of Shares	14,99,99,994	-	-
Shareholding %	100.00%	0.00%	0.00%

**Financiere Lafarge SAS**

No of Shares	-	39,23,62,997	39,23,63,001
Shareholding %	0.00%	85.97%	85.97%

**Paris Cement Investment Holdings Limited**

No of Shares	-	-	6,40,49,776
Shareholding %	0.00%	0.00%	14.03%

**Holderind Investments Limited (Subsidiary of the erstwhile ultimate holding company)**

No of Shares	-	6,40,49,776	-
Shareholding %	-	14.03%	-

**c) Shares held by subsidiary of the erstwhile ultimate holding company**

Societe Financiere Immobiliere et Mobiliere SAS	-	1	1
Lafarge SA	-	1	1
LafargeHolcim Energy Solutions	-	1	1
CBA Holding	-	1	1
Lafarge Industrial Ecology International	-	1	1

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

**d) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Equity shares issued pursuant to merger scheme (Refer note 51) (No. of shares)	15,00,00,000
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**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to consolidated financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Nature and purpose of reserve</b>			
<b>A - Capital Reserve</b>			
Capital reserve is used to record excess of net assets taken over pursuant to amalgamation.			
<b>B - Debenture Redemption Reserve</b>			
In accordance with Companies Act, 2013 and rules there under, pursuant to issue of non convertible debentures, the group has created Debenture Redemption Reserve of Rs. 183 crore being the proportionate amount for the elapsed period with reference to total period of such debenture. During FY 2015-16, the group had created Debenture Redemption Reserve of Rs. 25.52 crore and transferred back Rs. 87.50 crore to retained earnings on the redemption of entire erstwhile issued debentures.			
<b>C - Cash flow hedge reserve</b>			
The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast purchase. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedge are effective; the change in fair value of hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when hedged item affects profit or loss.			
<b>D - Securities premium</b>			
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.			
<b>18. Borrowings</b>			
<b>i) Secured borrowings</b>			
<b>a. Term Loan (Refer Note "a" below)</b>			
Indian rupee loan from banks	-	150.00	300.00
<b>b. Non convertible debentures (Refer Note "b" below)</b>			
8.66% Secured listed non convertible debenture redeemable at par on 14.09.2021 (8000 nos.)	774.02	-	-
8.57% Secured listed non convertible debenture redeemable at par on 14.09.2020 (8000 nos.)	779.90	-	-
8.47% Secured listed non convertible debenture redeemable at par on 14.09.2019 (12,500 nos.)	1,227.80	-	-
8.37% Secured listed non convertible debenture redeemable at par on 14.09.2018 (11,500 nos.)	1,138.04	-	-
<b>ii) Unsecured borrowings</b>			
Inter corporate deposit from holding company (Refer Note "d" below)	311.31	-	-
2% Unlisted, unsecured debentures compulsorily convertible into equity shares (Refer Note "c" below)	67.39	-	-
	<b>4,298.46</b>	<b>150.00</b>	<b>300.00</b>
<b>Note:</b>			
a. The Term loan was secured by a first pari passu charge on all movable and immovable properties at the Integrated Cement Unit located at Village-Bhawaliya, Tehsil- Nimbahera, District-Chittorgarh, Rajasthan-312620, India; and Cement Blending Unit at Village-Chidiyaa, Tehsil-Chaikhi Dadri, District-Bhiwani, Haryana, India, both present and future, but excluding stocks of raw materials, semi-finished goods and finished goods, consumable stores & spares, book debts, outstanding monies and receivable from time to time secured in favour of working capital facilities. The rate of interest applicable to this term loan is Bank's Base Rate plus 50 basis point. The rate of interest was in the range of 9.80% to 10.50%. No term loan is outstanding as on 31st March, 2017 and above charge has been satisfied.			
b. The Company has issued Non convertible debentures (NCD) of Rs. 4000.00 crores which are secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets including plant and machinery, equipments, land, immovable properties, investments and intellectual properties.			
c. Unlisted, unsecured compulsory convertible debentures carry interest (accruing quarterly) at the rate of 2% on the outstanding amount. Each compulsory convertible debentures (CCD) are convertible at par and as such, 1 CCD of INR 1,00,000/- will be converted into 10,000 equity share of INR 10 each. Refer summary of significant accounting policies for explanation on presentation of liability and equity component of CCD's			
d. The inter corporate deposit of Rs. 300.00 crores is long term in nature and carries interest rate of 8%.			
<b>Repayment Schedule of Borrowings</b>			
Not later than one year	-	150.00	150.00
Later than one year and not later than two years	1,150.00	150.00	150.00
Later than two years and not later than five years	2,850.00	-	150.00
<b>19. Other non-current financial liabilities</b>			
Liability for employee related expenses	0.73	7.66	7.94
Other liabilities	0.01	0.01	0.56
<b>Total</b>	<b>0.76</b>	<b>7.67</b>	<b>8.50</b>
<b>20. Provisions (non-current)</b>			
Provision for death benefit (Refer note 39)	3.50	3.24	3.60
Provision for site restoration (Refer note 52)	23.81	7.31	6.66
Provision for contractor's charges (Refer note 52)	21.34	17.28	18.46
<b>Total</b>	<b>48.65</b>	<b>27.83</b>	<b>28.72</b>
<b>21. Deferred tax liabilities (net)</b>			
<b>A] Deferred tax liability (Refer note 38)</b>			
- Depreciation and amortisation	601.49	587.46	527.39
- Deferred tax liability on business combination (Refer note 51)	1,033.63	-	-
- Others	-	-	0.58
<b>B] Deferred tax asset (Refer note 38)</b>			
- Disallowance under section 43B of the Income Tax Act	410.74	460.57	486.86
- Provision for doubtful debts and advances	57.59	51.96	37.76
- Unabsorbed depreciation	24.20	22.29	19.13
- Others	123.35	233.92	323.19
- MAT credit entitlement	10.05	10.87	18.85
- Others	195.55	141.53	87.93
<b>Total</b>	<b>1,224.38</b>	<b>126.89</b>	<b>41.11</b>





**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>22. Borrowings</b>			
Current maturities of long-term borrowings	15.92	152.50	506.96
	<u>15.92</u>	<u>152.50</u>	<u>506.96</u>
<b>23. Trade payables</b>			
Trade payables	734.69	619.80	580.98
Due to micro and small enterprises (Refer note 49)	5.30	6.29	7.37
<b>Total</b>	<u>739.99</u>	<u>626.09</u>	<u>588.35</u>
<b>24. Other current financial liabilities</b>			
Creditors for capital expenditure	30.66	31.97	64.93
Security deposits from dealers, transporters and others	368.86	368.81	356.05
Derivative liabilities	0.08	0.69	3.71
<b>Total</b>	<u>399.60</u>	<u>401.47</u>	<u>424.69</u>
<b>25. Provisions (current)</b>			
Provision for gratuity (Refer note 39)	-	1.90	-
Provision for leave benefits	12.89	17.16	13.41
Provision for death benefit (Refer note 39)	0.41	0.30	0.24
Provision for wealth tax	-	-	0.06
Provision for indirect taxes/litigations (Refer note 52)	193.05	177.92	127.28
Provision for dealer's discounts (Refer note 52)	64.80	47.60	55.19
Provision for contractor's charges (Refer note 52)	1.90	1.64	0.46
Provision - Others	3.45	3.63	3.72
<b>Total</b>	<u>276.50</u>	<u>250.15</u>	<u>200.36</u>
<b>26. Other current liabilities</b>			
Advance from customers	69.56	34.77	46.33
Liability for employee related expenses	64.24	50.24	43.39
Liability towards discount to dealers	115.18	84.94	103.69
Others (including statutory dues, provision for expenses)	83.23	75.71	75.08
<b>Total</b>	<u>332.21</u>	<u>245.66</u>	<u>268.49</u>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	2016-17	2015-16
<b>27. Revenue from operations</b>		
Sale of products (including excise duty)		
Finished goods	5,695.47	5,767.02
Traded goods	16.33	18.18
Other operating revenue		
Rentals under own your wagon scheme	0.17	0.15
Recoveries of shortages & damaged cement	1.62	0.03
Industrial promotional assistance - fiscal incentive (Refer note below)	86.15	86.44
Provision/liabilities no longer required, written back	27.21	81.24
Scrap sales	5.51	5.10
<b>Total revenue from operations</b>	<b>5,832.46</b>	<b>5,958.16</b>
<b>Detail of products sold</b>		
Finished goods sold		
Cement	4,580.02	4,636.97
Readymix Concrete	1,064.73	1,071.20
Aggregates	9.79	30.14
Fly Ash Bricks	7.29	6.82
Clinker	33.64	21.89
	<b>5,695.47</b>	<b>5,767.02</b>
Traded goods sold		
Aggregates	15.07	12.67
Readymix Concrete	-	1.96
Others	1.26	3.55
	<b>16.33</b>	<b>18.18</b>
<b>Note;</b>		
The group has recognized as other operating revenue Industrial Promotional Assistance (IPA) of Rs.54.94 Crores (Previous Year Rs.55.90 Crores) related to Meja Cement Plant, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Similarly, IPA of Rs.31.21 Crores (Previous Year Rs.30.54 Crores) has been recognised related to Chittorgarh Cement Plant, from the Government of Rajasthan under the Rajasthan Investment Promotion Scheme 2010.		
<b>28. Other income</b>		
Gain on sale of current investments (net)	14.19	13.02
Fair value gain on financial instruments at fair value through profit and loss	2.22	1.22
Interest income on bank deposits	3.10	15.60
Interest income on others	4.15	3.56
Net gain on disposal of property plant and equipment	-	0.28
Other non-operating income	5.61	5.41
<b>Total other income</b>	<b>29.27</b>	<b>39.09</b>
<b>29. Cost of materials consumed</b>		
Inventory at the beginning of the year	69.23	60.89
Add: Purchases	1,084.27	1,119.76
	<b>1,153.50</b>	<b>1,180.65</b>
Less: Inventory at the end of the year	(41.51)	(69.23)
	<b>1,111.99</b>	<b>1,111.42</b>
<b>Details of material consumed</b>		
Cement	260.25	256.31
Aggregates (including royalty paid on extraction)	165.18	177.24
Limestone (including royalty paid on extraction)	116.95	111.96
Fly ash	105.63	104.46
Gypsum	93.79	104.10
Slag	139.40	121.17
Sand	129.01	131.00
Admixture	27.01	36.03
Others	74.77	69.15
<b>Total</b>	<b>1,111.99</b>	<b>1,111.42</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

**Notes to consolidated financial statements for the year ended 31 March, 2017**

*(All amounts are in INR crores, unless otherwise stated)*

Particulars	2016-17	2015-16
Details of inventory as at end of the year		
Cement	4.63	5.10
Limestone	2.95	11.45
Aggregates	2.78	3.37
Fly ash	0.75	1.18
Gypsum	17.94	28.26
Slag	3.02	5.29
Sand	2.32	2.77
Admixture	3.91	4.53
Boulder	0.81	2.08
Others	2.40	5.20
	<b>41.51</b>	<b>69.23</b>

**30. Purchase of stock in trade**

Aggregates	12.79	7.32
Others	1.22	2.89
	<b>14.01</b>	<b>10.21</b>

**31. Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Inventories at the end of the year		
Finished goods	50.46	70.47
Work-in-progress	128.88	136.46
	<b>179.34</b>	<b>206.93</b>
Inventories at the beginning of the year		
Finished goods	70.47	55.52
Work-in-progress	136.46	120.42
	<b>206.93</b>	<b>175.94</b>
Changes in inventories of finished goods	20.01	(14.95)
Changes in inventories of work-in-progress	7.58	(16.04)
	<b>27.59</b>	<b>(30.99)</b>

**Details of inventory**

Finished goods		
Cement	44.86	65.34
Aggregates	5.44	5.05
Others	0.16	0.08
	<b>50.46</b>	<b>70.47</b>
Work-in-progress		
Clinker	121.13	129.99
Others	7.75	6.47
	<b>128.88</b>	<b>136.46</b>
<b>Total</b>	<b>179.34</b>	<b>206.93</b>

**32. Employee benefits expense**

Salaries and wages	250.32	262.17
Contribution to provident fund and other retirement benefits	22.84	21.83
Staff welfare expenses	16.81	16.10
	<b>289.97</b>	<b>300.10</b>



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	2016-17	2015-16
<b>33. Other expenses</b>		
Consumption of stores & spares (including write offs)	121.29	140.00
Consumption of packing materials	154.94	151.74
Computer hardware rent /maintenance	8.58	9.55
Lease rent (Refer note 41)	43.56	40.63
Rates & taxes	48.22	83.60
Insurance	8.79	9.46
<b>Repairs and maintenance</b>		
Plant and machinery	44.00	46.90
Buildings and roads	5.16	8.87
Others	29.01	26.51
CSR expenditure (Refer note 55)	5.82	4.88
Advertisement and sales promotions	41.50	33.86
Travelling and conveyance expenses	26.09	25.86
Legal and professional charges	20.19	18.19
Payment to auditors (Refer note below)	0.61	1.36
Bad debts written off	0.00	0.01
Donations	0.18	0.54
Provision for bad/doubtful debts and advances	5.50	7.83
Property, plant & equipment/CWIP written off	7.27	9.88
Royalty and Managerial & Technical Service charges	-	73.34
Net loss on foreign currency transaction and translation	0.33	5.81
Equipment hire, labour and subcontract charges	157.97	155.11
Security service charges	10.68	9.24
Miscellaneous expenses	36.79	49.70
	<b>776.48</b>	<b>912.87</b>
<b>Payment to auditor (including service tax)</b>		
Audit fee	0.46	0.73
Tax audit fee	0.05	0.11
Other Services	0.05	0.43
Reimbursement of expenses	0.05	0.09
Total	<b>0.61</b>	<b>1.36</b>
<b>34. Depreciation and amortization expense</b>		
Depreciation on tangible assets	273.96	242.54
Amortization of intangible assets	38.48	7.84
Depreciation on investment property	0.08	0.08
	<b>312.52</b>	<b>250.46</b>
<b>35. Finance costs</b>		
<b>Interest on :</b>		
Non convertible debentures	178.54	28.99
Term loans	12.57	35.65
Inter corporate deposits	11.69	-
Compulsory convertible debentures	2.57	-
Security deposits from dealers, transporters and others	22.89	26.26
Cash credit accounts	-	0.01
Others	2.33	0.99
<b>Other finance costs</b>		
Fair value loss on financial instruments at fair value through profit and loss	0.20	-
Amortization of ancillary borrowing costs	0.38	1.12
	<b>231.17</b>	<b>93.02</b>
<b>Borrowing cost capitalised</b>		
	<b>-</b>	<b>(5.12)</b>
	<b>231.17</b>	<b>87.90</b>
<b>36. Earnings per equity share</b>		
Profit attributable to equity shareholder	165.67	230.85
Weighted average number of equity shares EPS (Nos.)	30,69,84,081	45,64,12,778
Unlisted, unsecured debentures compulsorily convertible into equity shares (Nos) *	49,04,10,959	-
Weighted average number of equity shares for basic & dilutive EPS (Nos.)	79,73,95,040	45,64,12,778
Basic earnings per share (in Rs.)	2.08	5.06
Dilutive earning per share (in Rs.)	2.08	5.06
Face value per Equity Share (in Rs.)	10.00	10.00

\* The unlisted, unsecured debentures compulsorily convertible into equity shares are to be converted mandatorily; there is no cash settlement option either with the group or with the holder.



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 37. Tax expense

#### (a) Amounts recognised in profit and loss

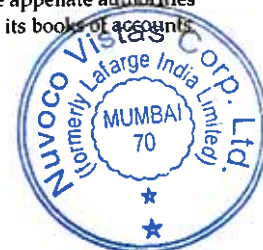
	2016-17	2015-16
Current income tax	57.01	53.60
Tax expense relating to earlier years	(93.28)	(0.16)
	<b>(36.27)</b>	<b>53.44</b>
<b>Deferred tax liability (net)</b>		
Origination and reversal of temporary differences	123.75	140.81
Minimum Alternate Tax credit	(57.01)	(53.60)
Deferred tax expense	66.74	87.21
<b>Tax expense for the year</b>	<b>30.47</b>	<b>140.65</b>

#### (b) Reconciliation of effective tax rate

	2016-17	2015-16
Tax Rate	34.608%	34.608%
Profit before tax	196.14	371.50
Tax using the Company's domestic tax rate (34.61%)	67.88	128.57
<b>Tax effect of:</b>		
Expenses inadmissible under Income Tax Act, 1961	0.07	1.88
Divestment expenses	6.16	10.98
Loss of amalgamating company disallowed	60.05	-
Adjustment related to earlier years*	(93.28)	-
Increase in business loss carried forward	(24.38)	-
Others	13.97	(0.78)
	<b>30.47</b>	<b>140.65</b>
<b>Effective tax rate</b>	<b>15.53%</b>	<b>37.86%</b>

\* The Company in its Income tax returns has claimed the Industrial Promotion Assistance (IPA) received during the period FY 2009-10 to 2014-15 as capital receipt. However, the Company has created provision for Income Tax in its books of accounts considering IPA as revenue receipt.

During the current year, based on ruling of the appellate authorities on appeals of the Company and judicial rulings of the appellate authorities for other taxpayers, the Company has decided to reverse tax provision of Rs.93.28 crores created in earlier years on IPA in its books of accounts.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**38. Deferred Tax**

Particulars	2015-16		2016-17		As at 31 March 2017		
	As at 1 April 2015	Recognised in profit and loss	Recognised in OCI	As at 31 March 2016		Recognised in profit and loss	Recognised in OCI
<b>Deferred tax liability</b>							
Depreciation and amortisation difference	527.39	60.07	-	587.46	14.03	-	601.49
Deferred tax liability acquired on amalgamation#	-	-	-	-	-	1,033.63	1,033.63
Others	0.58	(0.58)	-	-	-	-	-
<b>Total (a)</b>	<b>527.97</b>	<b>59.49</b>	<b>-</b>	<b>587.46</b>	<b>14.03</b>	<b>-</b>	<b>1,635.12</b>
<b>Deferred tax Asset</b>							
Disallowance under section 43B of Income Tax Act, 1961	37.76	12.77	1.43	51.96	5.70	(0.07)	57.59
Provision for doubtful debts and advances	19.13	3.16	-	22.29	1.91	-	24.20
Unabsorbed depreciation	323.19	(89.27)	-	233.92	(110.57)	-	123.35
Others	18.85	(7.98)	-	10.87	(0.79)	(0.03)	10.05
MAT credit entitlement	87.93	53.60	-	141.53	54.02	-	195.55
<b>Total (b)</b>	<b>486.86</b>	<b>(27.72)</b>	<b>1.43</b>	<b>460.57</b>	<b>(49.73)</b>	<b>(0.10)</b>	<b>410.74</b>
<b>Net deferred tax liability (a-b)</b>	<b>41.11</b>	<b>87.21</b>	<b>(1.43)</b>	<b>126.89</b>	<b>63.76</b>	<b>0.10</b>	<b>1,224.38</b>

# Deferred tax liability of INR 1033.63 crores acquired on amalgamation (Refer note 51)



**Navoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to consolidated financial statements for the year ended 31 March, 2017**  
 (All amounts are in crores, except share data and its ratios)

**Note - 39**

**Employee benefit**

The Group contributes to the following post-employment defined benefit plans in India:

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Group recognised Rs.7.92 crores (Previous year Rs.7.53 crores) for superannuation contribution in the statement of Profit and Loss. The Group recognised Rs.8.31 crores (previous year Rs.8.66 crores) for provident fund contributions in the statement of Profit and Loss.

The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

A. The Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the HDFC, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statement as at Balance sheet date:

	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Gratuity Funded			Death Benefit		
Defined benefit obligation	(54.36)	(50.03)	(42.05)	(3.91)	(3.54)	(3.85)
Fair value of plan assets	55.28	48.13	46.14	-	-	-
<b>Net defined benefit (obligation)/assets</b>	<b>0.92</b>	<b>(1.90)</b>	<b>4.09</b>	<b>(3.91)</b>	<b>(3.54)</b>	<b>(3.85)</b>
Non-current				(3.50)	(3.24)	(3.61)
Current	0.92	(1.90)	4.09	(0.41)	(0.30)	(0.24)

**B. Movement in net defined benefit (asset) liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Gratuity Funded			Death Retirement		
<b>Defined benefit obligation</b>						
Opening balance	8.03	42.05	33.88	7.34	3.85	3.65
Included in profit and loss						
Current service cost	3.13	3.04	2.09	1.09	0.13	0.14
Interest cost	3.68	3.40	3.22	1.17	0.29	0.33
	6.81	6.44	5.31	2.26	0.42	0.47
Included in OCI						
Actuarial loss (gain) - demographic assumptions	-	1.32	-	-	(0.54)	-
Actuarial loss (gain) - experience adjustments	1.28	0.59	-	0.17	0.12	-
Actuarial loss (gain) - financial assumptions	2.11	0.31	4.02	0.12	0.02	(0.09)
	3.39	2.22	4.02	0.29	(0.40)	(0.09)
<b>Other</b>						
Amount transferred from non funded to funded	-	2.82	-	-	(0.33)	(0.18)
Benefits paid	(5.69)	(3.70)	(5.16)	(0.28)	(0.33)	(0.18)
Closing balance (a)	54.36	50.03	42.05	3.91	3.54	3.85
<b>Fair value of plan assets</b>						
Opening balance	48.13	48.14	37.23	-	-	-
Interest income	3.75	3.69	2.98	-	-	-
	51.88	51.83	40.21	-	-	-
Included in OCI						
Actuarial gain / (loss)	3.40	(1.70)	5.95	-	-	-
	55.28	48.13	46.14	-	-	-
<b>Other</b>						
Contributions paid by the employer	5.69	3.70	3.16	-	-	-
Benefits paid	(5.69)	(3.70)	(3.16)	-	-	-
Closing balance (b)	55.28	48.13	46.14	-	-	-
<b>Represented by</b>						
Net defined benefit asset (b-a)	0.92	(1.90)	4.09	-	-	-
Net defined benefit liability (a-b)	-	1.90	(4.09)	3.91	3.54	3.85

**C. Plan assets**

Plan assets comprise the following:

	31 March 2017	31 March 2016	1 April 2015
	Gratuity Funded		
Investment in scheme of insurance	100%	100%	100%

**D. Defined benefit obligations**

**1. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)

	31 March 2017	31 March 2016	1 April 2015
Discount rate	7.10%	7.80%	7.90%
Expected rate of return on plan assets	8.00%	8.00%	8.00%
Salary escalation	8.00%	8.00%	8.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII
Mortality post-retirement	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII	Indian Assured Lives Mortality (2006-08) (modified) UII
Employee turnover rate (for different age groups)	5%-10%	5%-10%	1%-10%

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

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.

**E. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	March 31, 2017		March 31, 2017		March 31, 2016		March 31, 2016	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	<b>Gratuity</b>				<b>Death retirement</b>			
Discount rate (1% movement)	(2.83)	3.13	(0.18)	0.19	(2.56)	2.83	(0.17)	0.18
Future salary growth (1% movement)	2.43	(2.34)	0.08	(0.07)	2.24	(2.14)	0.08	(0.07)
Employee turnover rate (1% movement)	0.03	(0.03)	0.08	0.09	0.02	(0.03)	0.08	0.08
Mortality pre-retirement	(0.00)	0.00	(0.20)	0.22	(0.00)	0.00	(0.18)	0.20

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**F. Other information**

	March 31, 2017	March 31, 2016
Expected employer contribution for the next annual reporting period	-	1.80
Weighted average duration of defined benefit obligation	6 years	6 years







**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

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*(All amounts are in INR crores, unless otherwise stated)*

**41. Operating leases**

**Lease payments**

(a) The group has taken various residential and commercial premises under operating leases. Further, certain arrangements entered by group meet criteria specified in Appendix C of Ind AS 17 and are classified as embedded operating leases. The lease payments recognised in the statement of profit and loss is Rs.43.56 Crore. (Previous year Rs. 40.63 Crore.)

(b) Future commitments of lease rentals on account of assets taken on non-cancellable operating lease are as follows:

	2016-17	2015-16
Less than one year	8.09	6.86
Between one and five years	8.25	8.05
	16.34	14.91



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
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*(All amounts are in INR crores, unless otherwise stated)*

**42. Financial instruments – Fair values and risk management**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

March 31, 2017 INR	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Current investments	412.19	-	-	412.19	412.19	-	-	412.19
Trade receivables	-	-	444.22	444.22	-	-	-	-
Cash and cash equivalents	-	-	71.80	71.80	-	-	-	-
Other bank balances	-	-	5.18	5.18	-	-	-	-
Loans	-	-	1.99	1.99	-	-	-	-
Others	-	-	229.12	229.12	-	-	-	-
Derivative asset	0.00	-	-	0.00	-	0.00	-	0.00
	412.19	-	752.31	1,164.50	412.19	0.00	-	412.19
<b>Financial liabilities</b>								
Borrowings	-	-	4,314.38	4,314.38	-	4,314.38	-	4,314.38
Trade payables	-	-	739.99	739.99	-	-	-	-
Others	-	-	400.28	400.28	-	-	-	-
Derivative liability	0.08	-	-	0.08	-	0.08	-	0.08
	0.08	-	5,454.65	5,454.73	-	4,314.46	-	4,314.46

March 31, 2016 INR	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Trade receivables	-	-	523.37	523.37	-	-	-	-
Cash and cash equivalents	-	-	171.44	171.44	-	-	-	-
Loans	-	-	3.48	3.48	-	-	-	-
Others	-	-	165.82	165.82	-	-	-	-
Derivative asset	0.02	-	-	0.02	-	0.02	-	0.02
	0.02	-	864.11	864.13	-	0.02	-	0.02
<b>Financial liabilities</b>								
Borrowings	-	-	302.50	302.50	-	302.50	-	302.50
Trade payables	-	-	626.09	626.09	-	-	-	-
Others	-	-	408.44	408.44	-	-	-	-
Derivative Liability	0.69	-	-	0.69	-	0.69	-	0.69
	0.69	-	1,337.03	1,337.72	-	303.19	-	303.19

April 1, 2015 INR	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Trade receivables	-	-	458.19	458.19	-	-	-	-
Cash and cash equivalents	-	-	294.40	294.40	-	-	-	-
Other bank balances	-	-	3.96	3.96	-	-	-	-
Loans	-	-	3.78	3.78	-	-	-	-
Others	-	-	198.27	198.27	-	-	-	-
	-	-	958.60	958.60	-	-	-	-
<b>Financial liabilities</b>								
Borrowings	-	-	806.96	806.96	-	806.96	-	806.96
Trade and other payables	-	-	588.35	588.35	-	-	-	-
Other	-	-	429.48	429.48	-	-	-	-
Derivative Liability	3.71	-	-	3.71	-	3.71	-	3.71
	3.71	-	1,824.79	1,828.50	-	810.67	-	810.67



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

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(All amounts are in INR crores, unless otherwise stated)

### 42. Financial instruments - Fair values and risk management

#### B. Financial risk management

The group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### i. Risk management framework

The group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the group, to set appropriate risk limits and controls, and to monitor such risks and compliance with same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the group's activities. The Board of Directors and the Audit Committee is responsible for overseeing the group's risk assessment and management policies and processes.

#### ii. Credit Risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

#### Trade receivables

The group's exposure to credit risk is determined by the individual characteristics and specifications of each customer. The profile of the customer, including the market risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

Summary of the group's exposure to credit risk by age of the outstanding from various customers is as follows:

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Neither past due nor impaired	198.99	291.47	279.74
<b>Past due but not impaired</b>			
Past due 1-180 days	154.52	156.48	108.22
Past due 181-365 days	20.51	21.56	12.51
Past due 1 to 2 years	24.34	11.84	27.01
More than 2 years	45.86	42.02	30.71
	<u>444.22</u>	<u>523.37</u>	<u>458.19</u>

#### Expected credit loss assessment for customers as at 1 April 2015, 31 March 2016 and 31 March 2017

Exposures to customers outstanding at the end of each reporting period are reviewed by the group to determine credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the group have not undergone any substantial change, the group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The allowance at 31 March, 2016 and 31 March, 2017 related to several customers that may default on their payments to the group and may not pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade receivables during the year was as follow :

	2016-17	2015-16
Balance as at beginning of the year	55.37	50.27
Impairment loss recognised/(reversed)	0.88	5.10
<b>Balance at the end of the year</b>	<b>56.25</b>	<b>55.37</b>

#### Cash and cash equivalents

The group held cash and cash equivalents with credit worthy banks and financial institutions. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.



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Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 42. Financial instruments – Fair values and risk management

#### iii. Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group manages its liquidity risk by ensuring that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the group's reputation.

The group has obtained both fund based and non-fund based working capital lines from various banks. The group also constantly monitors, as and when required, funding options available in the debt and capital markets with a view to maintain financial liquidity. The group also enjoys A1+ ratings from CRISIL on short term facilities from banks indicating very strong degree of safety regarding timely payment of financial obligations and carries lowest credit risk.

#### Exposure to liquidity risk

The table below analyses the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\* all non derivative financial liabilities

\* Derivative financial instruments for which the contractual maturities are essential for understanding the timing of the cash flows.

As at 31 March 2017	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Borrowings	4,962.28	-	1,782.29	3,179.99	-
Other non-current financial liabilities	0.76	0.76			
Trade payables	739.99	739.99			
Other financial current liabilities	399.52	399.52			
<b>Derivative financial liabilities</b>					
Forward exchange contracts used for hedging	0.08	0.08			

As at 31 March 2016	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Borrowings	302.50	152.50	150.00	-	-
Other non-current financial liabilities	7.67	7.67			
Trade payables	626.09	626.09			
Other financial current liabilities	400.78	400.78			
<b>Derivative financial liabilities</b>					
Forward exchange contracts used for hedging	0.69	0.69			

As at 1 April 2015	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
Borrowings	806.96	500.00	306.96	-	-
Other non-current financial liabilities	8.50	8.50			
Trade payables	588.35	588.35			
Other financial current liabilities	420.98	420.98			
<b>Derivative financial liabilities</b>					
Forward exchange contracts used for hedging	3.71	3.71			



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

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(All amounts are in INR crores, unless otherwise stated)

**42. Financial instruments - Fair values and risk management**

**iv. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

**a. Currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction References more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering economic environment in which the group operates, its operations are subject to risks arising from fluctuation in exchange rates in those countries. The risks primarily relate to fluctuations in the foreign exchange rates of USD & EURO, on account of payables to foreign suppliers, for import of petcoke, gypsum and spares.

The group, as per its risk management policy, uses foreign exchange forward contracts to hedge foreign exchange exposure. The group does not use derivative financial instruments for trading or speculative purposes.

**Exposure to currency risk**

The summary quantitative data about the group's exposure to currency risk as reported to the management of the group is as follows:

Amounts in INR (Crores)	31 March 2017		31 March 2016		01 April 2015	
	EUR	USD	EUR	USD	EUR	USD
Accounts Receivable	-	-	-	1.85	0.05	0.94
Accounts Payable	1.36	6.72	27.98	22.56	53.26	5.09
<b>Net balance sheet exposure</b>	<b>1.36</b>	<b>6.72</b>	<b>27.98</b>	<b>20.71</b>	<b>53.21</b>	<b>4.15</b>
Forward exchange contracts	-	-	11.17	16.86	24.22	-
<b>Net exposure</b>	<b>1.36</b>	<b>6.72</b>	<b>16.81</b>	<b>3.85</b>	<b>28.99</b>	<b>4.15</b>

**Sensitivity analysis**

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in INR Crore	Profit or loss	
	Strengthening	Weakening
<b>31 March 2017</b>		
EUR	(0.14)	0.14
USD	(0.67)	0.67
<b>31 March 2016</b>		
EUR	(1.07)	1.07
USD	(0.31)	0.31

**b. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to interest rate risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions.

For details of the group's short-term and long term loans and borrowings, including interest rate profiles, Refer to Note 18 and 22 of these financial statements.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

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*(All amounts are in INR crores, unless otherwise stated)*

**43. Hedge accounting**

The group performs hedging on its forecasted/firm foreign currency exposure in respect of import of goods and services from time to time on a 12 months rolling basis. The group uses forward exchange contracts to hedge its currency risk arising from such imports. Hedging instruments are denominated in the same currency in which the imports are made. Maturity of hedging instruments are less than 12 months.

The foreign exchange forward contract balances vary with the level of expected foreign currency transactions and changes in foreign exchange forward rates.

Particulars	31 March 2017		31 March 2016		1 April 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments	0.00	0.08	0.02	0.69	-	3.71

The cash flow hedges of the firm commitments during the year ended 31 March 2017 were assessed to be highly effective, and as at 31 March 2017, a net unrealised loss of INR 0.06 crore (31 March 2016 - INR 0.12 crores) and was included in other equity in respect of these contracts. The effective portion of INR 0.02 crore (31 March 2016 - INR 0.02 crore) is charged to profit and loss.



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(All amounts are in INR crores, unless otherwise stated)

**44. Netting off disclosure**

**Offsetting financial assets and financial liabilities**

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2016 and 1 April 2015.

Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
<b>31 March 2017</b>			
<b>Financial assets</b>			
Trade receivables	444.47	(0.25)	444.22
Derivative asset	0.00	-	0.00
<b>Total</b>	<b>444.47</b>	<b>(0.25)</b>	<b>444.22</b>
<b>Financial liabilities</b>			
Derivative Liabilities	0.08	-	0.08
<b>Total</b>	<b>0.08</b>	<b>-</b>	<b>0.08</b>

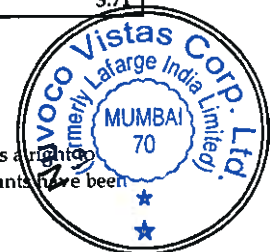
Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
<b>31 March 2016</b>			
<b>Financial assets</b>			
Trade receivables	528.06	(4.69)	523.37
Derivative asset	0.02	-	0.02
<b>Total</b>	<b>528.08</b>	<b>(4.69)</b>	<b>523.39</b>
<b>Financial liabilities</b>			
Derivative Liabilities	0.69	-	0.69
<b>Total</b>	<b>0.69</b>	<b>-</b>	<b>0.69</b>

Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
<b>1 April 2015</b>			
<b>Financial assets</b>			
Trade receivables	460.56	(2.37)	458.19
<b>Total</b>	<b>460.56</b>	<b>(2.37)</b>	<b>458.19</b>
<b>Financial liabilities</b>			
Derivative Liabilities	3.71	-	3.71
<b>Total</b>	<b>3.71</b>	<b>-</b>	<b>3.71</b>

(a) Offsetting arrangements

(i) CFA agents

The group engages the services of CFA agents for selling the cement. As per the terms of the agreement, group has a right to offset balances with CFA against debtors balances if debtor has not paid for a period of 90 days. Hence such amounts have been offset in the balance sheet.



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to consolidated financial statements for the year ended 31 March, 2017

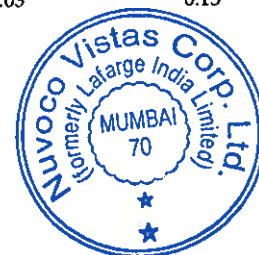
(All amounts are in INR crores, unless otherwise stated)

### 45. Capital management

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The group carefully monitors cash and bank balances, deployment of surplus funds and regularly assesses any debt requirements.

The group's adjusted net debt to equity ratio is as follows.

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total borrowings along with accrued interest	4,314.38	302.50	806.96
Less : Cash and bank balances & Current Investments	(489.17)	(171.44)	(298.36)
<b>Adjusted net debt</b>	<b>3,825.21</b>	<b>131.06</b>	<b>508.60</b>
Equity	150.00	456.41	456.41
Other Equity	3,798.95	3,748.38	3,518.41
<b>Total Equity</b>	<b>3,948.95</b>	<b>4,204.79</b>	<b>3,974.82</b>
Adjusted net debt to equity ratio	0.97	0.03	0.13





## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

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(All amounts are in INR crores, unless otherwise stated)

### 46. Segment Reporting

#### A. General Information

For management purposes, the group is organised into business units based on its products and has two reportable segments, as follows:

- Segment-1 Cement Division
- Segment-2 Ready-mix Concrete

Others - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statement.

Transfer prices between operating segment are on arm's length basis in a manner similar to transaction with third parties.

#### B. Information about reportable segments

Particulars	Reportable segments						Total	
	Cement		Ready mix concrete		Others		For the year ended March 31, 2016	For the year ended March 31, 2017
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016		
Revenue	4,737.73	4,835.49	1,069.81	1,079.77	24.92	42.90	5,832.46	5,988.16
External sales	33.32	43.33	-	-	18.77	21.35	52.09	64.68
Inter segment sales	4,771.05	4,878.82	1,069.81	1,079.77	43.69	64.25	5,884.55	6,022.84
Total	(33.32)	(43.33)	-	-	(18.77)	(21.35)	(52.09)	(64.68)
Less: Eliminations	4,737.73	4,835.49	1,069.81	1,079.77	24.92	42.90	5,832.46	5,988.16
Net Revenue	452.33	624.50	(23.27)	(121.62)	(7.60)	(13.83)	421.46	489.05
Segment Results								
Financial expense							(231.17)	(87.90)
Financial income							23.66	33.40
Un-allocated expenses							-	(20.18)
Profit before exceptional item and tax							213.95	414.37
Exceptional items (Refer note 54)							17.81	42.87
Profit before tax							196.14	371.50
Tax expenses							30.47	140.65
Profit after tax							165.67	230.85
OTHER INFORMATION								
Segment assets	10,136.60	5,166.93	918.33	900.26	50.31	56.98	11,105.24	6,124.17
Un-allocated assets	-	-	-	-	-	-	180.18	68.88
Total Assets	10,136.60	5,166.93	918.33	900.26	50.31	56.98	11,285.42	6,193.05
Segment liabilities	1,445.59	1,208.81	334.17	326.67	17.95	23.39	1,797.71	1,558.87
Un-allocated liabilities	-	-	-	-	-	-	5,538.76	429.39
Total Liabilities	1,445.59	1,208.81	334.17	326.67	17.95	23.39	7,336.47	1,988.26
Capital Expenditure								
Tangible assets	114.93	160.16	6.45	18.10	0.43	0.51	121.81	178.78
Intangible assets	17.13	30.79	-	0.04	-	-	17.13	30.83
Depreciation / Amortization	270.82	96.55	36.80	149.99	4.90	3.92	312.52	250.46
Other non cash expense	2.07	68.67	4.08	9.80	0.21	1.42	6.36	79.89

#### C. Geographic information

All group's asset are domiciled in India and it does not have any revenue from outside India. Further company does not have any single customer contributing more than 10 % of revenue.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**47. Contingent Liabilities**

<u>Contingent Liabilities not provided for in respect of:</u>	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
i. Claims against the group not acknowledged as debts: -			
a. Disputed demands in respect of Sales Tax by various sales tax authorities	27.41	17.28	52.91
b. Disputed demand in respect of Royalty on Limestone by the State of Chhattisgarh	166.02	143.50	125.21
c. Disputed demand in respect of Entry Tax by various tax authorities	36.98	20.19	19.18
d. Disputed demand in respect of Water cess by the State of Chhattisgarh	0.13	0.13	0.13
e. Disputed demand in respect of Excise Duty	167.46	160.91	146.32
f. Disputed demand in respect of Service Tax	2.51	1.48	0.92
g. Disputed demand in respect of VAT	11.45	12.39	8.33
h. Stamp Duty paid under protest for change of name from GKW to LRCL	1.80	1.80	1.80
i. Disputed demands in respect of Custom duties	14.44	14.44	14.44
j. In respect of Income Tax	234.47	114.92	32.48
k. Other claims	20.44	18.49	2.84
Against these, payments under protest/adjustments made by the group	96.35	54.93	48.64
ii. Guarantees given by the group on behalf of its Joint venture Company			5.51

iii. The State of Chhattisgarh has filed a Revision Application challenging the adjudication order of the District Registrar and Collector of Stamps, Janjgir -Champa for alleged under-valuation of the properties, which the group acquired from Raymond Ltd. Against this, Raymond Ltd. has filed a Special Leave Petition before the Honorable Supreme Court, which has stayed the proceedings before the Board of Revenue.

The Collector of Stamps, Raipur has commenced enquiry proceedings under Section 47 (A)(3) of the Indian Stamp Act, 1899 questioning the amount of stamp duty paid by The Tata Iron and Steel Company Limited (TISCO) on transfer of the immovable properties at Sonadih from TISCO to the group. The group has filed a Writ Petition in the Honorable High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court.

Amount not  
determinable

Amount not  
determinable

The group's liability, if at all arises, in both the above cases, is restricted to 50% by virtue of business transfer agreement between Lafarge and Raymond Ltd./TISCO.

iv. In June 2012, the Competition Commission of India (CCI) passed an Order levying a penalty of Rs. 490 crore on the group in connection with a complaint filed by the Builders Association of India against leading cement companies (including Lafarge) for alleged violation of certain provisions of the Competition Act, 2002. The group filed an appeal before the COMPAT for setting aside the said Order of CCI. The COMPAT granted stay on levying the penalty imposed on the Company by CCI against deposit of 10% of the penalty amount. In December 2015, the COMPAT finally set aside the said Order of CCI and remanded back to CCI for fresh adjudication of the issues and passing of fresh Order. It also allowed the group to withdraw the amount of 10% deposit kept with the CCI. However, in August 2016 the case was reheard by CCI and it passed an Order levying a penalty of Rs. 490 crore on the group. The group had filed an appeal against the Order before the Competition Appellate Tribunal ("COMPAT"). The COMPAT has granted a stay on the CCI Order against a deposit of 10% of the penalty amount, which has been deposited since. Based on advice of external legal counsel and the rights available with the group, no provision is considered necessary.

v. Vide letter F.No.13016/49/2008-CA-I dated 15th/16th November, 2012, Ministry of Coal had de-allocated the Dahegaon Makardhokra IV Coal Block allocated to the Joint Venture Partners and had ordered invocation of bank guarantee of Rs. 2,55,93,000. The said order was challenged by all joint venture partners, through separate Writ Petitions before Hon'ble High Court of delhi and a stay was granted against invocation of bank guarantee. However, in view of Supreme Court orders dated 25th August, 2014 and 24th September, 2014 in WP (Cri) No. 120/2012, the Hon'ble High Court of Delhi through its judgement dated 30th October, 2014, did not provide relief of cancellation of de-allocation of coal block and disposed of the all the three writ petitions of JV partners with a direction to Ministry of Coal to take a decision in respect of each individual case whether bank guarantees ought to be invoked or released. In pursuance, Ministry of Coal vide its letter F.No.13016/17/2014-CA-I (VOL. III) dated 04th August, 2015 ordered invocation of Bank Guarantee of Rs. 2,55,93,000/-, which has been challenged by all JV partners through separate writ petitions before Hon'ble High Court of Delhi. High Court of Delhi through its orders dated October 16,2015 and October 20, 2015 was pleased to grant stay against any coercive steps subject to Bank Guarantee being kept alive.

**48. Capital and other Commitment**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Estimate amount of contracts remaining to be executed on capital account and not provided for (net off advances)	35.07	39.65	74.24
Others	3.86	6.62	0.59



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**  
**Notes to consolidated financial statements for the year ended 31 March, 2017**  
*(All amounts are in INR crores, unless otherwise stated)*

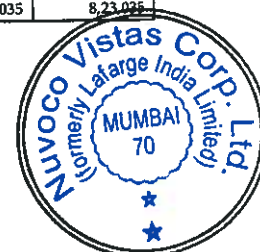
**49. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
Principal amount due to micro and small enterprises	5.30	6.29	7.37
Interest due on above	-	-	-
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year			
Principal	0.07	0.94	0.23
Interest	0.00	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.07	0.07	0.27
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.25	0.51	0.44
v) 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.	-	-	-

**50. Disclosure on Specified Bank Notes (SBNs)**

Particulars	Amount in INR		
	SBN ( specified bank notes )	other denomination notes	Total
Closing cash in hand as on 08/11/2016	4,12,000	2,10,006	6,22,006
(+) permitted receipts *	26,500	20,16,766	20,43,266
(-) permitted payments	-	10,85,287	10,85,287
(-) amt. deposited in banks	4,38,500	3,18,450	7,56,950
Closing cash in hand as on 30/12/2016	-	8,23,035	8,23,035

\* Permitted receipts represents the advance amount returned by group's employees.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**51. Business combination**

Nirchem Cement Limited (Nirchem) was incorporated on 2nd August 2016 as a wholly owned subsidiary of Nirma Limited to engage in the cement business. Nirma intended to acquire the cement and related business of Lafarge India Limited (Lafarge) and due to various approvals and commercial reasons, it acquired such business of Lafarge (the "Acquisition") by way of acquiring 100% shares of Lafarge from its shareholders. The acquisition of Lafarge by Nirchem was accounted for in the consolidated financial statements of Nirchem in accordance with Ind AS 103 Business Combinations by applying the acquisition method. The consolidated financial statements as at 4th October, 2016 prepared by management in accordance with Ind AS 110, have been adopted by the Board. Under the acquisition method, all identifiable assets including intangibles, liabilities and contingent liabilities of Lafarge were measured and accounted at the fair value as of the acquisition date. Fair values have been determined by an independent valuer. The excess of the cost of the acquisition over the fair value of the acquired assets, liabilities and contingent liabilities is recognized as Goodwill.

<u>Calculation of Goodwill</u>	
Consideration Paid	8,207.50
Net Assets acquired	5,763.64
Goodwill	2,443.86
Erstwhile acquired Goodwill in books of Lafarge	549.59
Additional Goodwill recognised	1,894.27

Subsequently, pursuant to the Scheme of Amalgamation under Sections 230-232 and any other applicable provisions of the Companies Act, 2013 read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, sanctioned by the Company Law Tribunal of Mumbai branch and filed with the Registrar of Companies (RoC) on 19th April, 2017, Nirchem Cement Limited has been amalgamated with Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited") w.e.f. 4th October 2016, the Appointed Date.

By virtue of guidance provided in App C of Ind AS 103, the above amalgamation is a 'common control business combination' given the combining entities (Nirchem and Lafarge) are both ultimately controlled by the same ultimate parent (Nirma Limited) before and after the amalgamation. Accordingly, the business combination has been accounted for using the pooling of interest method wherein the assets and liabilities of the combining entities are reflected at their carrying amounts as specified in the scheme i.e. values as determined under IND AS 103 Business Combinations, which in turn have been pooled from the Consolidated Financial Statements of Nirchem as at 4th October, 2016.

<u>Calculation of Capital Reserve</u>		
Particulars	Amount	Note
Investment in the books of Nirchem	(8,207.50)	
Equity share capital of Nirchem cancelled	3,000.00	
Issue of new equity shares of Nuvoco as per merger scheme	(150.00)	
Nuvoco old share capital reversed	456.41	
<b>IND AS 103 carrying values derived from Nirchem CFS (incremental values):</b>		
Tangible assets	1,610.19	Refer Note 2
Intangible assets	1,376.51	Refer Note 4
Goodwill	1,894.27	Refer Note 4
Deferred tax liability	(1,033.63)	Refer Note 38
Capital reserve on Merger	(1,053.75)	



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**52. Disclosures as required by Indian Accounting Standard (Ind AS) 37 - Provisions**

Particulars	Site Restoration expense		Dealer discount provisions		Indirect taxes and litigations		Provision for contractor's charges		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Carrying amount at the beginning of the year	7.31	6.66	47.60	55.18	177.92	127.28	18.92	251.75	208.04	208.04
Additional provision made during the year	16.78	0.65	70.57	54.27	16.20	64.68	4.32	0.00	107.87	119.60
Amounts used during the year	(0.28)	-	(53.37)	(61.85)	(0.57)	(0.75)	-	-	(54.22)	(62.60)
Amounts written back during the year	-	-	-	-	(0.50)	(13.29)	-	-	(0.50)	(13.29)
Carrying amount at the end of the year #	23.81	7.31	64.80	47.60	193.05	177.92	23.24	18.92	304.90	251.75

# This includes current and non current portion.

**i. Site Restoration expense**

The group provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are 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 reclamation expenditure.

**ii. Dealer discount provisions**

The provision for discounts is on account of various promotion and incentive schemes proposed to be announced to dealers on products sold by the group. The provision is based on the historic data/ estimated figures of discounts passed on. The timing and amount of the cash flows that will arise will be determined as and when these schemes are formalised and pay-offs approved by management, which is generally 12 to 18 months.

**iii. Indirect taxes and legal cases**

Provision for indirect tax and legal cases includes disputed cases of excise tax, Value added tax, sales tax, entry tax and other disputed legal cases.

**iv. Provision for contractor charges**

Provision for contractor's charges pertains to gratuity amount payable by contractor to its employees which as per the terms of the contract shall be reimbursed by the group.

**Note - 53**

The group had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of Rs.12.22 Crore (Previous year Rs.12.22 Crore) on Damodar Valley Corporation (DVC) towards their share of the capital expenditure on such Fly Ash classifier in terms of the agreement, which along with certain operational settlements are currently under discussion with DVC. Pending resolution on the matters, the group has not recognized the above claims in its books. Further, the management is confident that the use of the Fly Ash classifier and operational settlements shall be amicably resolved with the party.

**Note - 54**

Exceptional items incurred in relation to the orders of Competition Commission of India dated 2nd Feb 2016 and 30th March, 2015, Rs. 17.81 crore and Rs. 31.73 crore respectively for FY17 and FY16. Exceptional item for FY16 also includes provision of Rs.11.14 crore towards excise duty, differential VAT and interest liability thereon for sales effected on project plants of ready mix business for the period 2010-11 till December 2015.

**Note - 55**

As per the limit specified under Section 135 of the Companies Act, 2013, the Company was required to spend Rs 7.73 crore (Previous year Rs 11.63 crore) during the year on account of Corporate Social Responsibility (CSR). However, the actual amount spent during the year amounts to Rs 6.43 crore (Previous year Rs 5.37 crore) out of which Rs 0.61 crore (Previous year Rs 0.49 crore) has been incurred in relation to its ongoing projects which has been capitalised and the balance of Rs 5.82 crore (Previous year Rs 4.88 crore) has been accounted in the statement of profit and loss as CSR expenditure.



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

### 56. Transition to Ind AS

For the purposes of reporting as set out in Note 1, the group has transitioned basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the "transition date").

In preparing opening Ind AS balance sheet, group has adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the group's financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.

#### A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS :

##### Ind AS optional exemptions

###### 1) Investment in Joint Ventures and subsidiaries

Ind AS 101 allows a first time adopter to record the carrying value of investment in joint venture as per IGAAP or fair value of investment in joint venture at transition date as deemed cost under Ind AS.

Accordingly, the group has elected to carry its investment in joint venture at IGAAP carrying value on transition date.

###### 2) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their IGAAP carrying value.

###### 3) Decommissioning liabilities

Ind AS 101 provides the option to apply Ind AS 16 prospectively from the transition date. This provides relief from changes in a decommissioning, restoration to be added or deducted from the cost of asset to which it relates (including mining rights); the adjusted depreciable amount of the asset is then depreciated prospectively over remaining useful life.

Accordingly, the group has elected to avail this exemption, it has :

- measured the liability as at the date of transition;
- estimated the initial liability by discounting liability measured at historical risk adjusted discount rate
- calculated the accumulated depreciation on that amount, as at the date of transition to Ind AS.

###### 4) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

###### 5) Arrangement containing a lease

IND AS 101 provides the option to determine whether an arrangement existing at date of transition is, or contains, a lease based on the facts and circumstances at that date and not at lease start date.

Accordingly, the group has elected to determine arrangement existing at the date of transition and not at lease start date.

##### Ind AS mandatory exceptions

###### 1) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with IGAAP, except the following items where application of IGAAP did not require estimation.

- FVTOCI - Unquoted equity shares
- FVTPL - Debt securities
- Impairment of financial assets based on expected credit loss model



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

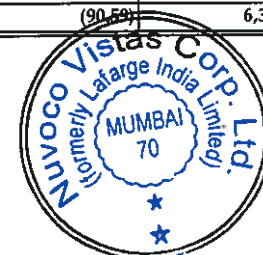
**B. Reconciliations between IGAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

**Reconciliation of equity as at transition date (1 April 2015)**

	Notes	IGAAP *	Adjustments/Reclass	Ind AS
<b>ASSETS</b>				
<b>1. NON-CURRENT ASSETS</b>				
(a) Property, plant and equipment	1	3,591.84	(8.02)	3,583.82
(b) Capital work in progress		246.77	-	246.77
(c) Investment property	3	-	1.59	1.59
(d) Goodwill		549.59	-	549.59
(e) Other intangible assets	2(b)	17.15	2.50	19.65
(f) Intangible assets under development		-	-	-
(g) Financial assets		-	-	-
(i) Investments		-	-	-
(ii) Loans		0.12	-	0.12
(iii) Other		127.69	-	127.69
(h) Other non current assets	8	386.10	(87.93)	298.17
		<b>4,919.26</b>	<b>(91.86)</b>	<b>4,827.40</b>
<b>2. CURRENT ASSETS</b>				
(a) Inventories		440.25	-	440.25
(b) Financial Assets		-	-	-
(i) Current Investments		-	-	-
(ii) Trade receivables		458.19	-	458.19
(iii) Cash and cash equivalents		294.40	-	294.40
(iv) Other bank balances		3.96	-	3.96
(v) Loans		3.66	-	3.66
(vi) Others		70.58	-	70.58
(d) Other current assets	3	242.29	1.27	243.56
		<b>1,513.33</b>	<b>1.27</b>	<b>1,514.60</b>
<b>TOTAL ASSETS</b>		<b>6,432.59</b>	<b>(90.59)</b>	<b>6,342.00</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital		456.41	-	456.41
(b) Other Equity	2(b), 1, 3, 4, 6	3,522.41	(4.00)	3,518.41
		<b>3,978.82</b>	<b>(4.00)</b>	<b>3,974.82</b>
<b>LIABILITIES</b>				
<b>1. NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings		300.00	-	300.00
(ii) Other		8.50	-	8.50
(b) Provisions	2 (c)	23.21	5.51	28.72
(c) Deferred tax liabilities (Net)	6, 8	131.15	(90.04)	41.11
		<b>462.86</b>	<b>(84.53)</b>	<b>378.33</b>
<b>2. CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings		508.14	(1.18)	506.96
(ii) Trade payables		588.35	-	588.35
(iii) Others		424.69	-	424.69
(b) Provisions		146.00	54.36	200.36
(c) Other current liabilities		323.73	(55.24)	268.49
		<b>1,990.91</b>	<b>(2.06)</b>	<b>1,988.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,432.59</b>	<b>(90.59)</b>	<b>6,342.00</b>

\* IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

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(All amounts are in INR crores, unless otherwise stated)

**Reconciliation of equity as at 31 March 2016**

	Notes	IGAAP *	Adjustments/Reclass	Ind AS
<b>ASSETS</b>				
<b>1. NON-CURRENT ASSETS</b>				
(a) Property, plant and equipment	1	3,656.07	(9.41)	3,646.66
(b) Capital work in progress		111.65	-	111.65
(c) Investment property	3	-	1.51	1.51
(d) Goodwill	4	423.95	125.64	549.59
(e) Other intangible assets	2(b)	27.56	(11.09)	16.47
(f) Intangible assets under development		12.58	-	12.58
(g) Financial assets				
(i) Investments		-	-	-
(ii) Loans		-	-	-
(iii) Other		77.84	-	77.84
(h) Other non current assets	8	420.64	(141.52)	279.12
		<b>4,730.29</b>	<b>(34.87)</b>	<b>4,695.42</b>
<b>2. CURRENT ASSETS</b>				
(a) Inventories		458.19	-	458.19
(b) Financial assets				
(i) Current Investments				
(ii) Trade receivables		523.37	-	523.37
(iii) Cash and cash equivalents		171.44	-	171.44
(iv) Other bank balances		-	-	-
(v) Loans		3.48	-	3.48
(vi) Others		88.00	-	88.00
(d) Other current assets	3	254.75	(1.60)	253.15
		<b>1,499.23</b>	<b>(1.60)</b>	<b>1,497.63</b>
<b>TOTAL ASSETS</b>				
		<b>6,229.52</b>	<b>(36.47)</b>	<b>6,193.05</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital		456.41	-	456.41
(b) Other Equity	2(b), 1, 3, 4, 6	3,671.27	77.11	3,748.38
		<b>4,127.68</b>	<b>77.11</b>	<b>4,204.79</b>
<b>LIABILITIES</b>				
<b>1. NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings		150.00	-	150.00
(ii) Others		7.67	-	7.67
(b) Provisions	2(c)	39.68	(11.85)	27.83
(c) Deferred tax liabilities (Net)	6, 8	227.62	(100.73)	126.89
		<b>424.97</b>	<b>(112.58)</b>	<b>312.39</b>
<b>2. CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings		152.50	-	152.50
(ii) Trade payables		626.09	-	626.09
(iii) Others		401.47	-	401.47
(b) Provisions		203.50	46.65	250.15
(c) Other current liabilities		293.31	(47.65)	245.66
		<b>1,676.87</b>	<b>(1.00)</b>	<b>1,675.87</b>
<b>TOTAL EQUITY AND LIABILITIES</b>				
		<b>6,229.52</b>	<b>(36.47)</b>	<b>6,193.05</b>

\* IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.





**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

**Reconciliation of total comprehensive income for the year ended 31 March 2016**

	Notes	IGAAP *	Adjustments/Reclass	Ind AS
<b>INCOME</b>				
Revenue from Operations	9, 10	5,303.86	654.30	5,958.16
Other income		39.09	-	39.09
<b>TOTAL INCOME</b>		<b>5,342.95</b>	<b>654.30</b>	<b>5,997.25</b>
<b>EXPENSES</b>				
Cost of materials consumed		1,117.11	(5.69)	1,111.42
Purchase of Traded Goods		12.00	(1.79)	10.21
Power and fuel		889.03	-	889.03
Freight and forwarding charges		1,372.25	-	1,372.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(30.99)	-	(30.99)
Excise duty on sale of goods	9	-	679.63	679.63
Employee Benefits Expenses	5	304.22	(4.12)	300.10
Other Expenses		898.48	14.39	912.87
Depreciation and Amortization Expenses	1, 2(b), 3, 4	375.10	(124.64)	250.46
Finance costs	2(b), 10	119.52	(31.62)	87.90
<b>TOTAL EXPENSES</b>		<b>5,056.72</b>	<b>526.16</b>	<b>5,582.88</b>
<b>Profit before exceptional items and tax</b>		<b>286.23</b>	<b>128.14</b>	<b>414.37</b>
Exceptional items		42.87	-	42.87
<b>Profit before tax</b>		<b>243.36</b>	<b>128.14</b>	<b>371.50</b>
<b>Tax expense:</b>				
1. Current Tax		53.60	-	53.60
2. MAT credit utilised/(entitlement)		(53.60)	-	(53.60)
3. Deferred tax		96.47	44.34	140.81
4. Tax expense relating to earlier years		(0.16)	-	(0.16)
<b>Total tax expense</b>		<b>96.31</b>	<b>44.34</b>	<b>140.65</b>
<b>Profit/(Loss) for the period</b>		<b>147.05</b>	<b>83.80</b>	<b>230.85</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>I Items that will not be reclassified to profit and loss</b>				
i. Remeasurements gain/(losses) of post-employment benefit obligation	5	-	(4.12)	(4.12)
ii. Income tax related to above		-	1.43	1.43
<b>II Items that will be reclassified to profit and loss</b>				
i. Deferred gain/(losses) on cash flow hedge		-	2.77	2.77
ii. Income tax related to above		-	(0.96)	(0.96)
<b>Total comprehensive income for the year</b>		<b>147.05</b>	<b>83.80</b>	<b>229.97</b>

\* IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

Particulars	Notes	Rs. In Crores	
		Previous year ended 31.03.2016	As at 1 April, 2015
<b>Equity as per Previous Indian GAAP</b>		4,127.68	3,978.82
Unwinding of Site restoration liability	2(b)	1.92	2.57
Depreciation on site restoration	2(b)	(0.19)	(0.66)
Depreciation of freehold land used for mining	1	(9.41)	(8.02)
Depreciation on investment properties	3	(0.08)	-
Reversal of Goodwill amortisation	4	125.64	-
<b>Total impact</b>		117.88	(6.11)
Tax effect of above adjustment	6	(40.77)	2.11
<b>Equity as per Ind As</b>		<b>4,204.79</b>	<b>3,974.82</b>

The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	Notes	Previous year ended 31.03.2016
<b>Net Profit under previous Indian GAAP</b>		147.05
Reclassification of net actuarial loss on defined obligation to other comprehensive income	5	4.12
Unwinding of Site restoration liability	2(b)	(0.65)
Depreciation on site restoration	2(b)	0.47
Depreciation of freehold land used for mining	1	(1.38)
Depreciation on investment properties	3	(0.08)
Reversal of Goodwill amortisation	4	125.64
<b>Total Impact</b>		128.12
Tax effect of above adjustment	6	(44.32)
<b>Net Profit for the period under Ind-AS</b>		<b>230.85</b>
Other Comprehensive Income as per Ind AS		(0.88)
<b>Total Comprehensive Income as per Ind AS</b>		<b>229.97</b>



## Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")

### Notes to consolidated financial statements for the year ended 31 March, 2017

(All amounts are in INR crores, unless otherwise stated)

#### Notes to the reconciliation

##### Ind AS adjustment entries:

- 1 Under IGAAP, the land acquired for exploration and extraction of limestone is recognised in freehold land and carried at cost. Such freehold land is not depreciated or impaired. Under Ind AS, such freehold land used for mining is depreciated using unit of production method. Due to this, freehold land has decreased by Rs. 9.41 crore as on 31st March, 16 (1 April, 2015: Rs. 8.02 crore) and retained earnings has decreased by Rs. 6.15 crore (net of deferred tax) as on 31 March 2016 (1 April, 2015: Rs. 5.25 crore (net of deferred tax)). Depreciation for the year ended has been increased by Rs. 1.38 crore for the year ended 31 March 2016 and total comprehensive income decreased by Rs. 0.91 crore (Net of deferred tax).
- 2 Under IGAAP, the group has created provision for the mine restoration at undiscounted amount. Mining restoration provision was expensed out till 31 March 2015. For year ended 31 March 16, group has capitalised mine restoration provision. Under Ind AS, the group has recognised the provision at the present value of estimate obligation. The unwinding of provision for restoration obligation has been accounted as finance cost and the corresponding asset has been depreciated using unit of production method. The group has used optional exemption under Ind AS 101 to measure the provision on transition date.  
Due to this:
  - a) Intangible assets has decreased by Rs. 11.09 crore (Net of amortisation) as on 31st March, 16 (Increased by Rs. 2.50 crore (Net of amortisation) as at 1 April, 2015)
  - b) Retained earnings has increased by Rs. 1.13 crore (net of deferred tax) as on 31 March 2016 (1 April, 2015: Rs. 1.25 crore (net of deferred tax)). Finance cost for the year ended 31 March 2016 has been increased by Rs. 0.65 crore, amortisation has been decreased by Rs.0.47 crore for the year ended 31 March 2016 and total comprehensive income decreased by Rs. 0.12 crore (Net of deferred tax).
  - c) Provision for mining restoration decreased by Rs. 12.81 crore as on 31 March 2016 (increased by Rs. 0.59 crore as on 1 April 2015)
- 3 Under IGAAP, the group classified a residential flat owned by it as assets held for sale and did not depreciate it and included in other current assets. Under Ind AS, the said flat is classified as investment property since the criterion for classifying as assets held for sale as per Ind AS are not met and the said flat is held for future undetermined use.  
Due to this, Investment property has increased by Rs. 1.51 crore (Net of amortisation) as on 31st March, 16 (1st April 2015: Rs. 1.59 crore). Retained earnings has decreased by Rs. 0.05 crore (net of deferred tax) as on 31 March 2016. Depreciation has been increased by Rs.0.08 crores for the year ended 31 March 2016 and total comprehensive income decreased by Rs. 0.05 crore (Net of deferred tax).
- 4 Under IGAAP, the group has amortised goodwill resulting from acquisitions over 10-35 years. Under Ind AS, goodwill is not amortised but tested for impairment at least annually.  
Due to this, Goodwill has increased by Rs. 125.64 crore as on 31st March, 16. Retained earnings has increased by Rs. 82.16 crore (net of deferred tax) as on 31 March 2016. Amortisation has been decreased by Rs. 125.64 crores for the year ended 31 March 2016 and total comprehensive income increased by Rs. 82.16 crore (Net of deferred tax).
- 5 Under the IGAAP, the actuarial gains and losses were forming part of the profit or loss for the year. Under Ind AS, remeasurements i.e. actuarial gains and losses are recognised in other comprehensive income instead of profit or loss. Actuarial loss of Rs. 4.12 crore is reclassified from Employee Benefits Expenses to other comprehensive income, resulting in decrease in Employee Benefits Expenses.
- 6 The various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in relation to these underlying transaction either in retained earnings or a separate component of equity. The net impact of Ind AS adjustment is deferred tax liabilities of Rs. 40.77 crore as on 31 March 2016 (deferred tax assets of Rs. 2.11 crore as on 1 April 2015).
- 7 The transition from IGAAP to Ind AS has no material impact on the statement of cash flows.

##### Material Ind AS reclassification entries:

- 8 Under IGAAP, MAT credit entitlement is presented under other non current assets. However, under Ind AS, MAT credit entitlement is considered as deferred tax assets and classified accordingly.
- 9 Under IGAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Due to this, Revenue from Operations is increased by Rs. 679.63 crores with corresponding increase in excise expenses.
- 10 Under IGAAP, cash discount of Rs. 32.27 crores is disclosed under Finance cost. Under Ind AS, cash discount is netted off from revenue. Due to this, Revenue from Operations is decreased by Rs. 32.27 crores with corresponding decrease in finance cost.



**Nuvoco Vistas Corporation Limited (formerly known as "Lafarge India Limited")**

Notes to consolidated financial statements for the year ended 31 March, 2017  
(All amounts are in INR crore, unless otherwise stated)

57. Additional information as required by Paragraph 2 of the general instructions for the preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the Entity	Net Assets, i.e. total assets minus total Liabilities		Share of Other comprehensive Income		Net Assets, i.e. total assets minus total Liabilities		Share of Profit/(Loss)		Share of Other comprehensive Income	
	As a % of consolidated net assets	As at 31 March 2017	As a % of consolidated Profit/(Loss)	As at 31 March 2017	As a % of consolidated net assets	As at 31 March 2016	As a % of consolidated Profit/(Loss)	As at 31 March 2016	As a % of consolidated Profit/(Loss)	As at 31 March 2016
Parent	100%	3,948.95	100%	0.18	100%	4,304.79	100%	3,045	100%	(0.86)
Nuvoco Vistas Corporation Limited										
Subsidiaries										
Runa Eastern Cement Limited	0%	0.05	0%	-	0%	0.05	0%	(0.00)	0%	-
Non-controlling interest in subsidiary	0%	-	0%	-	0%	-	0%	-	0%	-
Joint Ventures										
Wardha Vadliyy India Private Limited	0%	(0.36)	0%	(0.07)	0%	(0.31)	0%	(0.11)	0%	-
<b>Total</b>	<b>100%</b>	<b>3,948.62</b>	<b>100%</b>	<b>0.18</b>	<b>100%</b>	<b>4,304.53</b>	<b>100%</b>	<b>2,907.4</b>	<b>100%</b>	<b>(0.86)</b>

Note: The above figures are before eliminating intra group transactions. The loss of joint venture not recognised for in books is Rs. 0.38 Crs. The group's interest in joint venture has been reduced to zero and the group does not have any legal or constructive obligations or make payments on behalf of joint venture.

**58. Interest in joint venture - Aggregate amounts of interest in joint venture (Rs.)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>LIABILITIES</b>			
Short-Term Borrowings	36,36,311	36,36,311	17,41,740
Trade payables	12,872	23,537	23,022
Other current liabilities	12,42,997	6,96,863	2,59,715
Short-term provisions	15,087	8,735	852
<b>ASSETS</b>			
Fixed assets	1,309	2,075	2,842
Cash and bank balances	11,22,337	12,95,019	47,419
Short Term Loans and Advances			339

**Significant Judgment: Existence of joint control and classification of joint arrangement**

The joint venture agreement in relation to Wardha Vadliyy India Private Limited require unanimous consent from all parties for all relevant activities, hence there is a joint control. Further the parties having joint control have the rights to the net assets of the joint arrangement. Hence it has been classified as joint venture.

As per our report of own date

For MZSK & Associates

Chartered Accountants

Firm Registration No. 105047W

Vishal Vitani

Partner

Membership No. 118237

Place: Mumbai

Date: 22 May 2017

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PL118229

Ujjwal

MD & CEO

DIN: 012394

Ajay Shinde

Company Secretary



Saikote Nareshtibhai Shukh  
Director  
DIN: 07211383



Place: Mumbai

Date: 22 May 2017