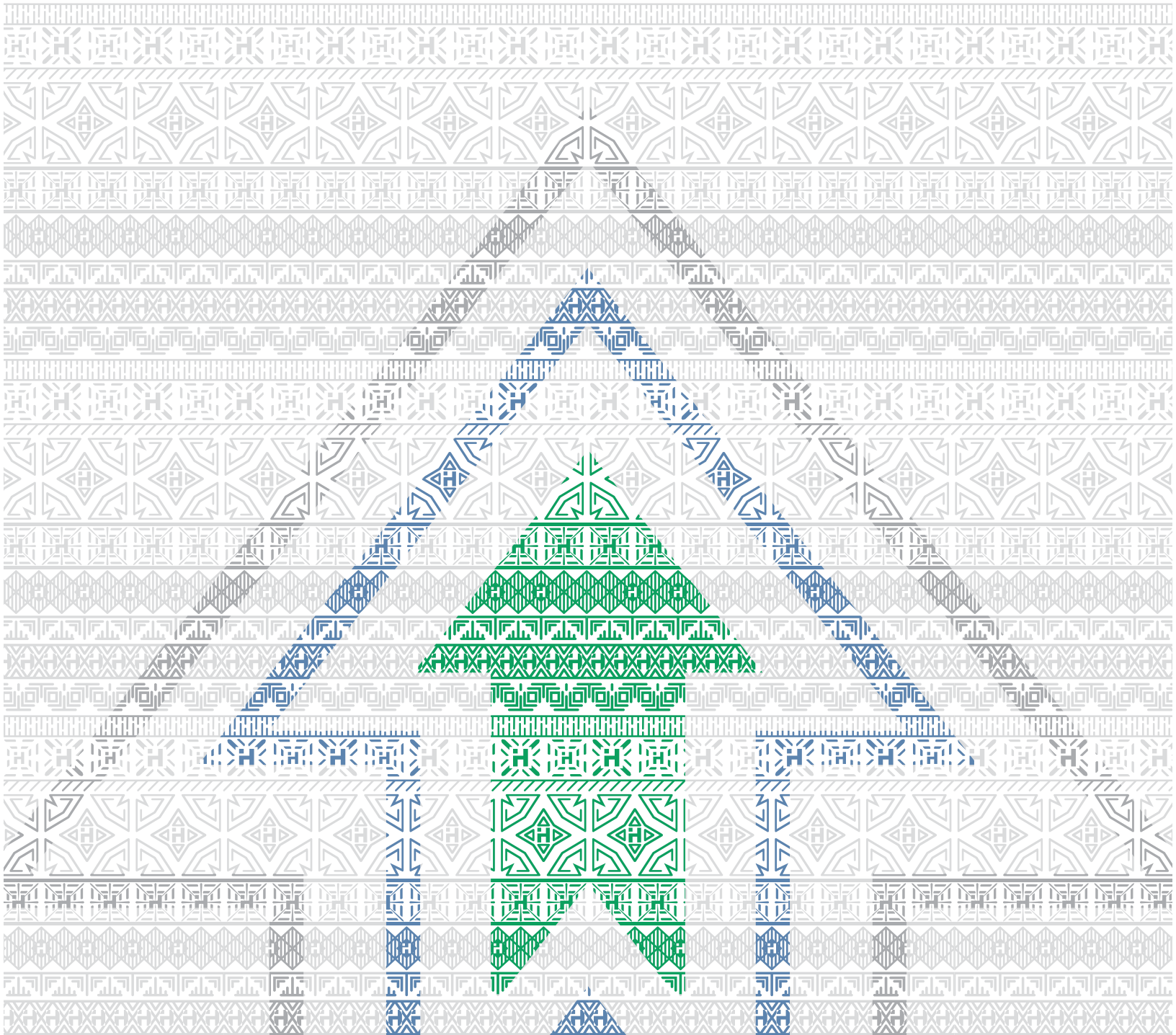


HEIDELBERGCEMENT

INDIA



GROWTH IS UNLOCKING VALUE

ANNUAL REPORT 2017-18 | HEIDELBERGCEMENT INDIA LTD.

Financial Highlights

Particulars	CY 13	FY 15*	FY 16#	FY 17#	FY 18
Sales Volumes ('000 t)	3,626	5,289	4,443	4,474	4,653
Total Revenue (net of Excise) (Rs. million)	14,006	20,581	16,708	17,412	19,094
EBITDA (Rs. million) [@]	1,222	3,360	2,536	3,026	3,833
EBITDA Margin (%)	8.7%	16.3%	15.2%	17.4%	20.1%
EBT (Rs. million)	-807	1,198	454	1,136	2,077
EBT Margin (%)	-5.8%	5.8%	2.7%	6.5%	10.9%
PAT (Rs. million)	-407	595	354	762	1,332
PAT Margin (%)	-2.9%	2.9%	2.1%	4.4%	7.0%
EPS (Rs./Share)	-1.8	2.6	1.6	3.4	5.9
Shareholders Fund (Rs. million)	8,334	8,716	8,949	9,670	10,464
Long Term Borrowings (Rs. million)**	11,172	11,172	8,603	6,846	6,192
Short Term Borrowings (Rs. million)	642	-	700	-	-
Debt Equity Ratio	1.34:1	1.28:1	0.96:1	0.71:1	0.59:1
Cash and Cash Equivalents (Rs. million)	1141	1463	78	142	2,122

Notes:

CY denotes Calendar Year, FY denotes Financial Year. CY13 figures are inclusive of Raigad Plant.

* FY15 has 15 months results due to change in accounting year.

Figures of FY17 are Ind-AS compliant and accordingly the corresponding figures for FY16 have been restated.

** Long Term Borrowings include current portion of borrowings maturing in the next one year but excludes impact of Mark to Market on the USD External Commercial Borrowings, which were hedged using Cross Currency Swaps.

@ EBITDA is inclusive of other income.

HeidelbergCement in India

One of the World's largest integrated manufacturers of building materials, HeidelbergCement made its foray into India in early 2006. The move was motivated by its pursuit for growth which emanated from the growing market in developing countries. As a part of this growth strategy, the Group acquired controlling stake in Mysore Cements as well as the Indorama Cement Joint Venture, which in 2008 was converted into a full acquisition.

Following the merger with Indorama Cement, in 2009, Mysore Cements was renamed HeidelbergCement India Ltd. Since then there has been no looking back. In 2009, the Company undertook a brownfield capacity expansion in Central India to increase its cement manufacturing capacity from 2.1 million tonnes per annum to 5.4 million tonnes per annum.



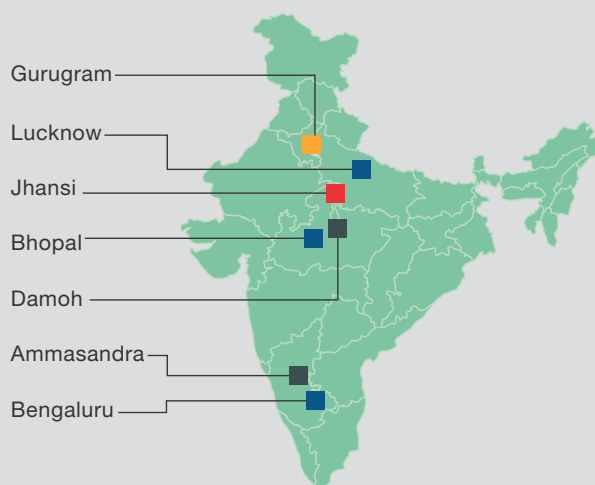
LOCATION OF PLANTS AND MAIN OFFICES

HeidelbergCement India's
Cement Capacity –
5.4 Mn Tonnes per Annum

- Integrated Unit
- Grinding Unit
- Regional Marketing Office
- Registered Office

Registered Office

9th Floor, Infinity Tower "C",
DLF Cyber City, Phase-II, Gurugram,
Haryana-122 002



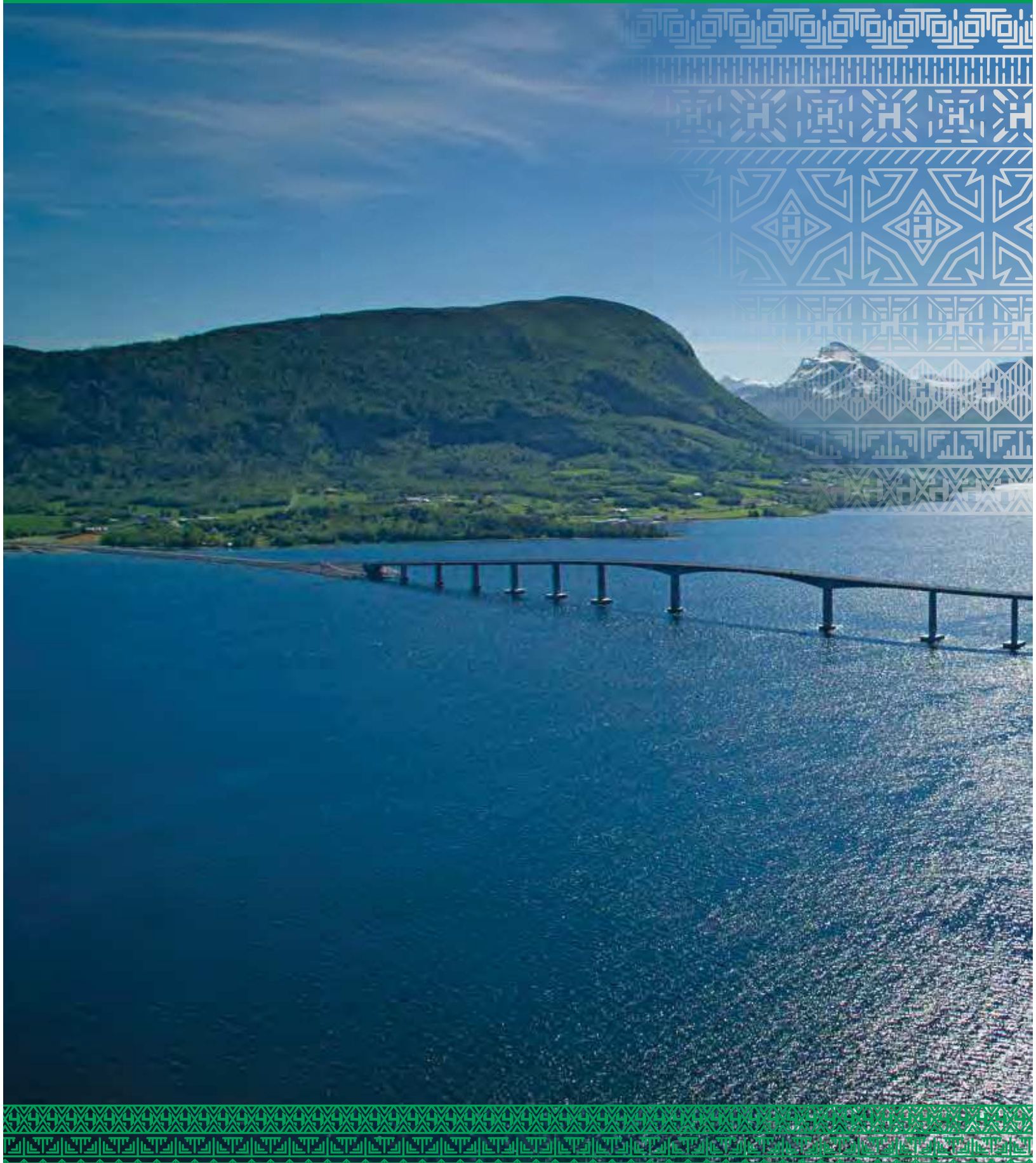
Chief Financial Officer
Mr. Anil Kumar Sharma

Legal Head & Company Secretary
Mr. Rajesh Relan

Statutory Auditors
S.N. Dhawan & Co. LLP. Chartered Accountants

Registrars & Transfer Agents

Integrated Registry Management Services Pvt. Ltd, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003




Quality and Reliability – That is HeidelbergCement.

Founded in 1873 in Heidelberg, a small town in Germany, HeidelbergCement has grown consistently spreading its footprint across the globe. Every goal it set for itself, has been achieved without compromising on values and focusing persistently on research and innovation. Inclusive and sustainable growth have been driving forces of our business model as we continue to strive and improve our products, services and business processes to attain the highest standards of efficiency. These form the fundamentals of our corporate culture and we are proud of it.

As we continue to traverse through this journey of growth, high product standards, vast reserves of quality raw material at strategic locations, proximity to our customers with excellent relationships and uncompromising approach to ecological sustainability accompany us as our core strengths.

In this 145 year journey, a lot has changed in the World around us. However our core values remain unmoved.





Review 2017-18

Q1

Smooth transition to the GST era

Transition to the GST era demanded special efforts on the part of all corporates. For our dealers who are relatively not that organized, it was indeed an uphill task. We prepared a booklet to educate them and also conducted training sessions to enable them understand the new processes, systems and compliance requirements. As we geared up for GST, our teams also proactively provided trainings to our vendors, so that they too could smoothly transit their business into the GST regime with equal ease like us.

Q2

Cementing relationships with the channel partners

The Company organized an Annual Dealers' Conference, "Shaurya", to present its future roadmap to its channel partners and also recognize their achievements by bestowing awards and accolades. The conference was attended by over 1,500 channel partners comprising Clearing and Forwarding Agents and Dealers.

Q3

Astute financial management pays rich dividends

In order to achieve growth, the Company had invested over INR 16 billion for expansion of capacity of its Damoh and Jhansi plants, which commenced commercial production in 1st quarter of CY2013. This was partly financed through External Commercial Borrowings (ECB) of USD 125 million. The Company repaid final tranche of the above-mentioned ECB loan through its internal accruals in October 2017 helping it reduce its finance cost significantly. Further, the Company also undertook steps to manage its working capital especially in the areas of accounts receivables, inventories and creditors. The Company commands one of the lowest receivables days and cash conversion cycle in the Indian Cement Industry.

Q4

Landmark quarter in the Company's history

The Company reported highest ever quarterly Revenue; Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA) and Profit After Tax (PAT). This remarkable achievement was the result of concerted efforts both in the plants as well as in the markets. Major highlights of the quarter that resulted in such healthy financial performance were highest ever quarterly sales volume and WHR Power Generation.

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Growth is unlocking value



Growth remains one of the biggest driving forces within HeidelbergCement India. Each and every function is aligned to the Company's goals supported by the Group's culture which focuses on extending the best value to its Stakeholders by leveraging its assets to the maximum.

Through this Annual Report, we have attempted to showcase the Company's approach towards utilizing its scarce resources in a sustainable manner, thereby optimizing the benefits to its Stakeholders at the same time achieve its growth objectives. HeidelbergCement India team directs its efforts in the realm of resource optimization, cost rationalization and reduction in cycle time to achieve its goals.





Growth is - building a culture of excellence



With a people-driven culture that embraces diversity, transparency and equal opportunity, HeidelbergCement India is setting high standards when it comes to excellence in performance. Its success rests on the strong pillars of operational excellence that encompass processes, people, performance and results.

