



**Birla Corporation Limited**

**Corporate Office:**

1, Shakespeare Sarani,  
A.C. Market (2<sup>nd</sup> Floor), Kolkata 700 071

P: 033 6603 3300-02

F: +91 332288 4426

E: Coordinator@birlacorp.com

11th August, 2023

Corporate Relationship Department  
BSE Limited  
1st Floor, New Trading Ring,  
Rotunda Building,  
P.J. Towers, Dalal Street, Fort,  
Mumbai- 400 001  
**Scrip Code: 500335**

Manager  
Listing Department  
National Stock Exchange of India Limited  
'Exchange Plaza', C-1, Block G,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai- 400 051  
**Scrip Code: BIRLACORPN**

Dear Sirs,

**Sub: Notice of the 103rd Annual General Meeting and Annual Report for the Financial Year 2022-2023**

Pursuant to Regulation 30, 34 and 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the 103rd Annual General Meeting ("AGM") of the Company scheduled to be held on Tuesday, the 5th day of September, 2023 at 10.30 a.m. (IST) at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata – 700026, along with the Annual Report of the Company for the Financial Year 2022-2023.

The aforesaid documents are being sent electronically to the members and debenture holders whose e-mail IDs are registered with the Company's Registrar and Transfer Agents/Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited and also through other permitted modes to members whose e-mail IDs are not registered.

The Notice of the AGM and the Annual Report have also been uploaded on the website of the Company at [www.birlacorporation.com](http://www.birlacorporation.com).

This is for your information and records.

Thanking you,

Yours faithfully,  
For **BIRLA CORPORATION LIMITED**

**MANOJ KUMAR MEHTA**  
**Company Secretary & Legal Head**

**Encl:** As above



**BIRLA  
CORPORATION  
LIMITED**

# The heart of humanity The strength of sustainability

Annual Report 2022-23





## Design Inspired by Warli Art

Warli Art is one of India's oldest forms of painting, said to date back to the 10<sup>th</sup> Century AD. Traditionally practised by the tribal folk of the Northern Sahyadri Range, the art form melds elements of nature and earthy colours with geometrical arrangement. The tableaus make for some of the most beautiful, yet simple, artistic designs. Warli is truly one of the great heritages of Maharashtra and India.

# ANNUAL REPORT AND ACCOUNTS 2022-23





**Syt. Madhav Prasadji Birla**  
(1918-1990)



**Smt. Priyamvadaji Birla**

(1928-2004)



**Syt. Rajendraji S. Lodha**

(1942-2008)

# BOARD OF DIRECTORS



Shri Harsh V. Lodha, Chairman



Shri Vikram Swarup



Shri Anand Bordia



Shri Dhruba Narayan Ghosh



Dr. Deepak Nayyar



Smt. Shailaja Chandra



Shri Dilip Ganesh Karnik



Shri Sandip Ghose  
Managing Director &  
Chief Executive Officer



# BOARD OF DIRECTORS

**Shri Harsh V. Lodha** (DIN 00394094)  
Chairman

**Shri Vikram Swarup** (DIN 00163543)

**Shri Dhruba Narayan Ghosh** (DIN 00012608)

**Smt. Shailaja Chandra** (DIN 03320688)

**Shri Anand Bordia** (DIN 00679165)

**Dr. Deepak Nayyar** (DIN 00348529)

**Shri Dilip Ganesh Karnik** (DIN 06419513)

**Shri Sandip Ghose** (DIN 08526143)  
Managing Director & Chief Executive Officer

## MANAGEMENT TEAM

**Shri Pracheta Majumdar**  
Chief Management Advisor

**Shri Aditya Saraogi**  
Chief Financial Officer

**Shri Rajat Kumar Prusty**  
Chief of Manufacturing & Projects

**Shri Kalidas Pramanik**  
President  
Sales & Logistics Operations

**Shri Ghisa Ram Verma**  
President  
Birla Jute Mills

**Shri Asim Chattopadhyay**  
Executive President  
Technical Excellence & Development

**Shri Rajesh Kakkar**  
President - Head Corporate HR

**Shri Manoj Kumar Mehta**  
Company Secretary &  
Legal Head

### STATUTORY AUDITORS

V. Sankar Aiyar & Co.  
Chartered Accountants  
New Delhi 110 008

### REGISTRAR & SHARE TRANSFER AGENT

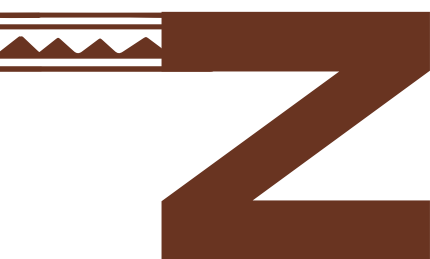
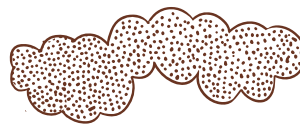
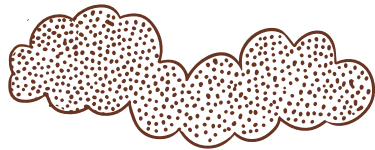
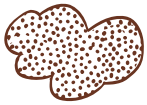
MCS Share Transfer Agent Limited  
383, Lake Gardens, 1st Floor  
Kolkata 700 045

### CORPORATE OFFICE

1, Shakespeare Sarani (2nd floor)  
Kolkata 700 071  
Phone: (033) 6603 3300/01/02

### REGISTERED OFFICE

Birla Building (3rd & 4th Floors), 9/1, R N Mukherjee Road,  
Kolkata 700 001, Phone: (033) 6616 6729/37  
investorsgrievance@birlacorp.com  
www.birlacorporation.com  
CIN: L01132WB1919PLC003334



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In the past few years, the MP Birla Group faced unprecedented challenges with the world economy going into a tailspin in the wake of the Covid-19 pandemic and war breaking out between Russia and Ukraine.

Despite these disruptions which left the global economy grappling with myriad challenges, Birla Corporation Limited continued to walk the growth path it had charted out for itself.

Treading cautiously through the unexpected headwinds and without compromising on safety, the Company managed to start commercial operations at its state-of-the-art integrated cement factory at Mukutban in eastern Maharashtra at the beginning of FY 2022-23.

**As the MP Birla Group sharpens focus on sustainability across all enterprises and functions, we have adopted at Birla Corporation a model of excellence: 4Vs, which stands for Vision, Value, Velocity and Visibility.**

Seen in the light of frequent flight of workers from the factory site due to the pandemic, and the extraordinary rise in fuel prices which the fledgling factory had to cope with in its early days, Mukutban has in its first year of operation lived up to its billing and is on its way to becoming the Company's most efficient production unit.

Birla Corporation prides itself for having executed the Mukutban project with over 10 million man-hours of hard labour without any major accidents. The unit has created thousands of direct and indirect jobs in the economically backward district of Yavatmal. As we expand, we expect the unit to create economic multipliers that the Government had in mind while awarding the project.

The Mukutban factory is the fruit of hours of brainstorming and strategic thinking. The Company's production units are now uniquely positioned in terms of their geographical locations and reach to complement one another and work together to serve our core cement markets more efficiently than ever before. Going forward, as we scale up production at Mukutban, we expect the strategic synergy among our production units to translate into higher profitability.

Alongside, we have been steadily investing into our wide portfolio of MP Birla Cement brands, and now have from among them several leaders, both at national and regional levels. This, in turn, has helped us expand our partnership with distributors and retailers. We have grown in numbers internally as well, and are widely seen today as a responsible employer, which makes it easier for us to attract talent.

In line with the MP Birla Group's stated philosophy of creating lasting assets for society, the commercial enterprises of the group continue to support and expand academic and healthcare institutions—12 hospitals and as many knowledge centres spread across India, which are run as non-profits.

One of our latest additions is the Priyamvada Birla Institute of Nursing in Kolkata—a school-cum-college that can accommodate some 700 students. Hospitals in eastern India have for long been suffering from the shortage of trained nurses. As the MP Birla Group expands its own healthcare facilities, the nursing school is expected to become a dependable source of trained professionals.

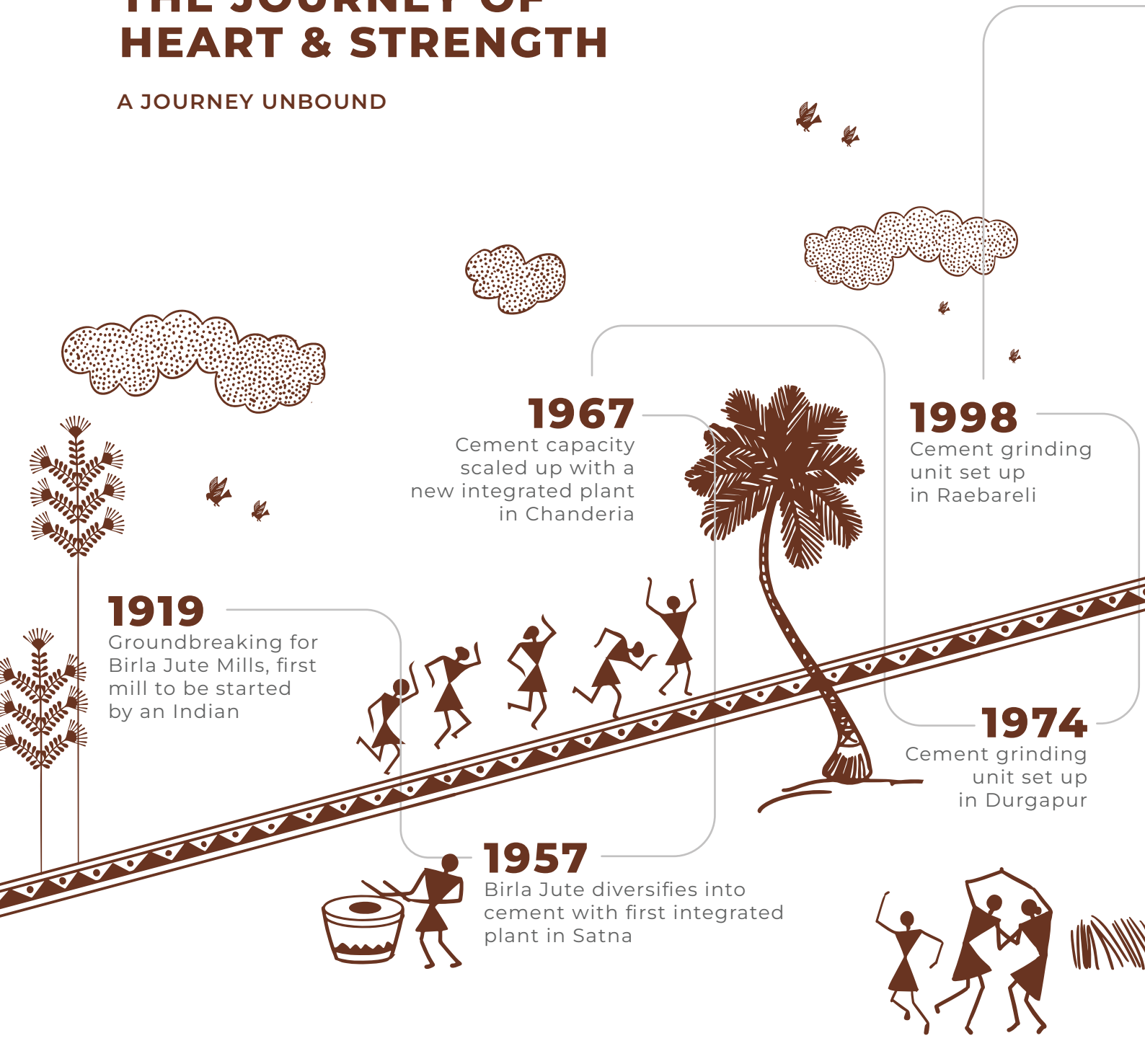
As the MP Birla Group sharpens focus on sustainability across all enterprises and functions, we have adopted at Birla Corporation a model of excellence: 4Vs, which stands for Vision, Value, Velocity and Visibility. This model is aimed at improving our efficiency in all functions, making these not only competitive but also sustainable for all stakeholders.

The experience of the past few years has taught us that in a volatile and unpredictable world, the future will be non-linear. Amid such uncertainties, we are working at full throttle with our philosophy of Heart and Strength to create value for all stakeholders and make our operations more sustainable in the days ahead.

**Harsh V. Lodha**  
Chairman, Birla Corporation Limited

# THE JOURNEY OF HEART & STRENGTH

A JOURNEY UNBOUND



**1919**

Groundbreaking for Birla Jute Mills, first mill to be started by an Indian

**1967**

Cement capacity scaled up with a new integrated plant in Chanderia

**1998**

Cement grinding unit set up in Raebareli

**1974**

Cement grinding unit set up in Durgapur

**1957**

Birla Jute diversifies into cement with first integrated plant in Satna

# 2016

Birla Corporation acquires erstwhile Reliance Cement Co., taking total production capacity to 15.5 million tons

# 2019

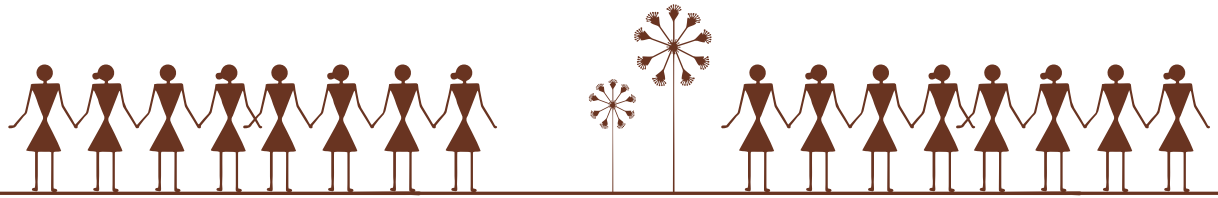
Ground breaking of Mukutban unit

# 2022

Mukutban unit starts commercial operations with 3.9 million ton capacity

# 2023

Mukutban unit stabilizes and starts supplies to four States



# VISION

To be admired for our  
Performance, Ethics and  
Culture.

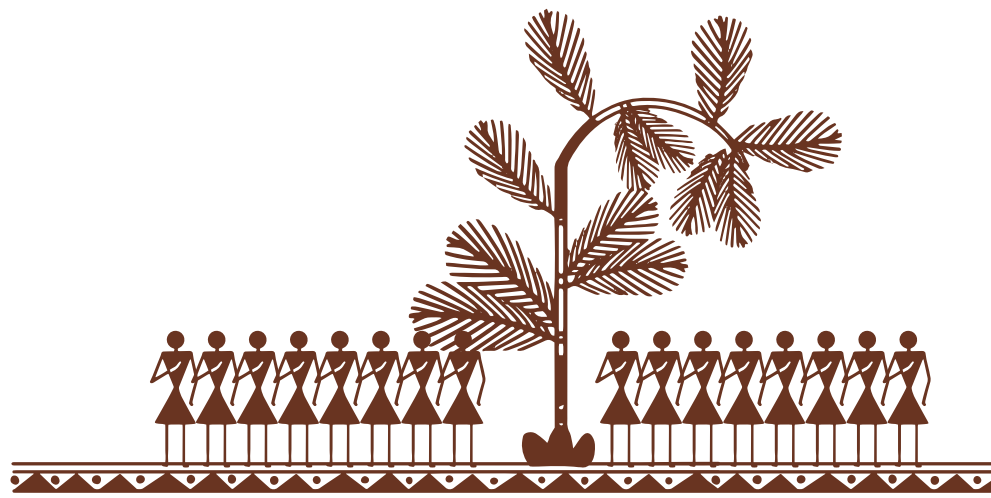


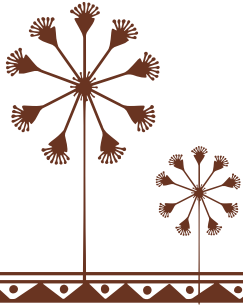
# MISSION

To be the best-in-class in  
every sector we operate.

# VALUES

- Integrity
- Professionalism
- Value Creation
- Social Commitment





# GROUP OVERVIEW

Named after Syt. Madhav Prasadji Birla (1918-1990), the MP Birla Group is an amalgam of successful commercial enterprises and social institutions, run with the credo of Heart and Strength. After Syt. Birla, the group was helmed by his wife, Smt. Priyamvadaji Birla (1928-2004) and Syt. Rajendra Singhji Lodha (1942-2008).

The oldest among the MP Birla Group's business units is Birla Jute Mills, which was founded in 1919, and is now part of Birla Corporation Limited—a 20-million ton cement maker.

The group's other significant commercial interests include cables and guar gum. Apart from Birla Corporation, the MP Birla Group has three listed cable companies: Birla Cable Limited, Vindhya Telelinks Limited and Universal Cables Limited.

Together they produce a wide range of power, telecommunication and high-end speciality cables and execute turnkey projects. Under a joint venture with Japan's Furukawa Electric Co. Limited, the group also produces optical fibre, the key ingredient of fibre optic cables.

The MP Birla Group also runs Hindustan Gum and Chemicals Limited under a joint venture with Solvay Inc. It is a leading exporter of guar-based products to a variety of sectors such as foods, textiles, explosives and oil field drilling.

The MP Birla Group has a unique structure: several independent trusts and societies own substantial minority stakes in its operating companies. A share of the surplus generated by the MP Birla Group's commercial enterprises is channeled through these charitable trusts and societies into building social assets such as hospitals and knowledge centres.

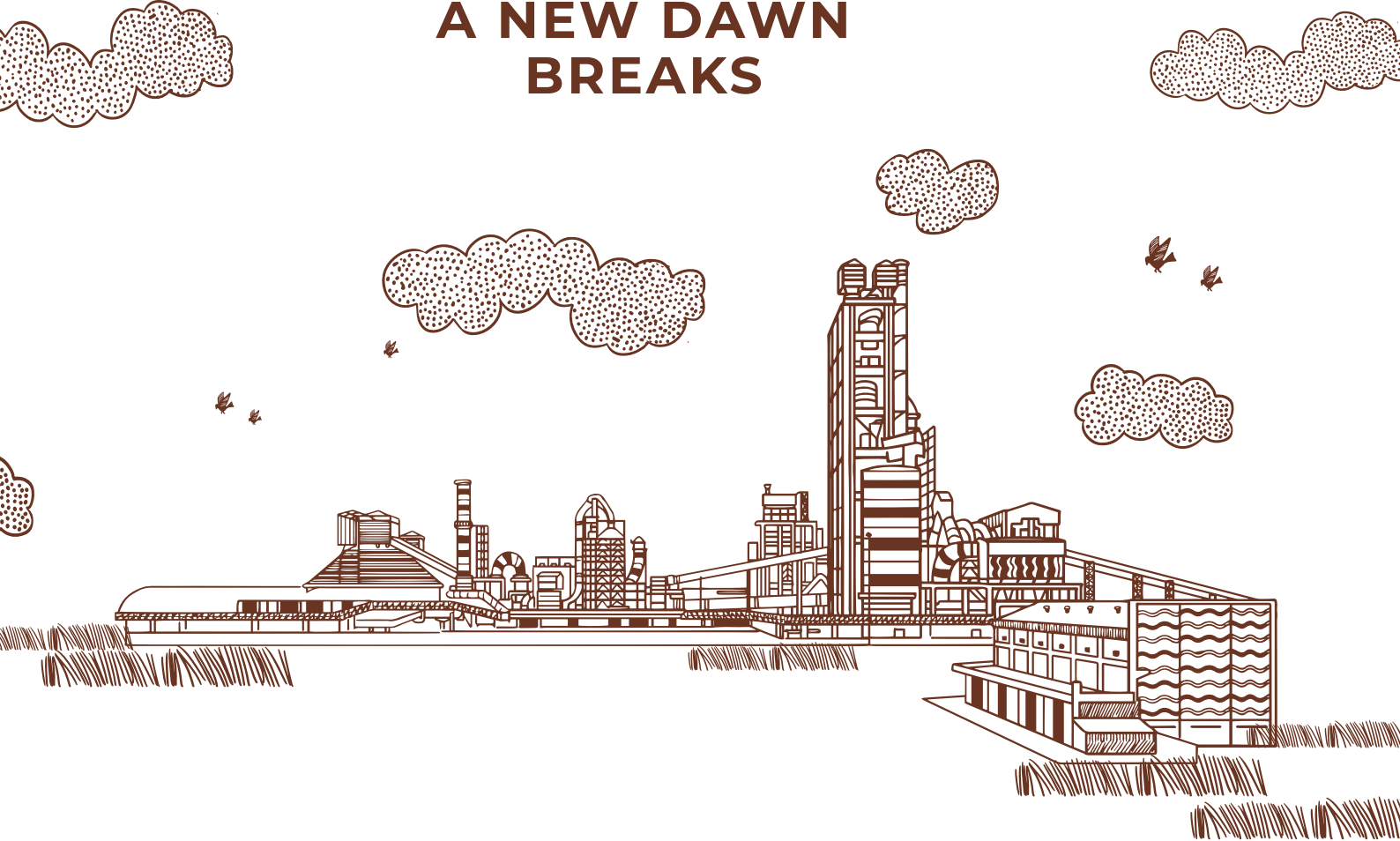
The most prominent among these institutions are Bombay Hospital, Belle Vue Clinic, South Point High School and MP Birla Planetarium. The MP Birla Group manages 12 hospitals and as many knowledge centres across the country. A key focus for the group is to consistently expand these institutions, which are run as non-profits.

As a philosophy, the MP Birla Group is dedicated to serving humanity and promote sustainable business practices. It is engaged in a wide variety of programmes for skill and livelihood development.





# A NEW DAWN BREAKS





## MUKUTBAN

A BEACON OF PROMISE



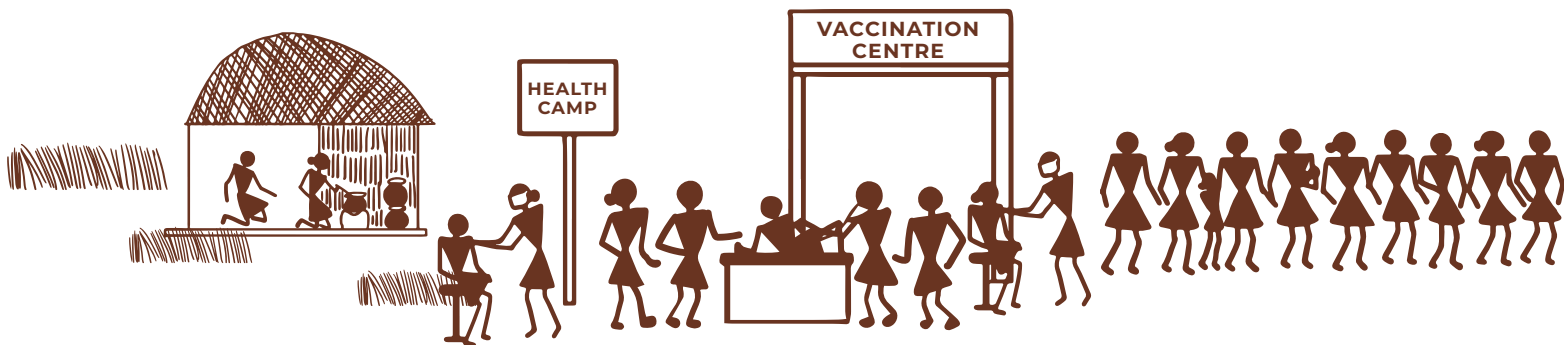
A state-of-the-art best-in-class cement plant, Mukutban has a nameplate capacity of 3.9 million ton. The unit has a 40-MW captive power plant and an 8.6-MW Waste Heat Recovery System. A total of 10 million “zero harm” man-hours of labour ensured timely completion of its construction. The unit will contribute substantially to employment generation in the economically backward region through mining, plant, logistics operations and ancillary activities. Mukutban has advanced equipment with the latest technology to ensure highest quality standards.

# A BELIEF UNDETERRED

PERSEVERANCE THROUGH  
THE PANDEMIC



The construction of the Mukutban factory was impacted by the pandemic as its surrounding areas was the epicenter of Covid in Maharashtra. We overcame the challenge in the true spirit of Heart and Strength by providing shelter, quarantine facilities and medical support to the workmen at the project site followed by vaccination drive. The MP Birla Group's expertise in healthcare was leveraged to address the needs of people who live in close proximity to the factory, in partnership with the local administration. We also helped small businesses in the neighbourhood survive through the lockdown.



# VALUE ADDED GROWTH

GROWTH THROUGH EFFICIENCY  
AND VALUE ADDITION



Even with a newly commissioned unit within our fold, which would take time to be scaled up, we achieved a capacity utilisation of 81%, against an industry average of 65%. In spite of challenging market conditions, we did well in the northern and central Indian markets, primarily on the strength of our blended and premium cement portfolio. In States such as Uttar Pradesh, Bihar, Gujarat and Rajasthan, we have achieved the highest sales ever. Our intense marketing initiatives, both regional and national, have significantly improved consumer trust in our brands such as Unique Plus, Chetak, Samrat, and Rakshak, the super-premium water-repellent cement.



# GREEN AT HEART

## GROWTH WITH ENVIRONMENTAL AWARENESS



In recent years, we boosted renewable power generation and focused on utilizing industrial waste as alternative fuel and raw materials (AFR). Our solar power generation capacity stands at 36.2 MW, combined with 43.35 MW from Waste Heat Recovery System (WHRS).

To decarbonize and improve efficiency, we employ leak-proof BTAP rakes for fly ash transportation, reducing truck trips by 25,000 a year and also our carbon footprint. We are a leader in rainwater harvesting; we harvest three to four times the water we consume. Our captive power plant at Mukutban is air-cooled as opposed to water-cooled and, as a result, the factory is water-positive. Further, we have also planted close to 81,000 trees at Mukutban to mitigate the environmental impact of our operations.



# CONNECTING WITH ALL AROUND

EMPOWERING COMMUNITIES



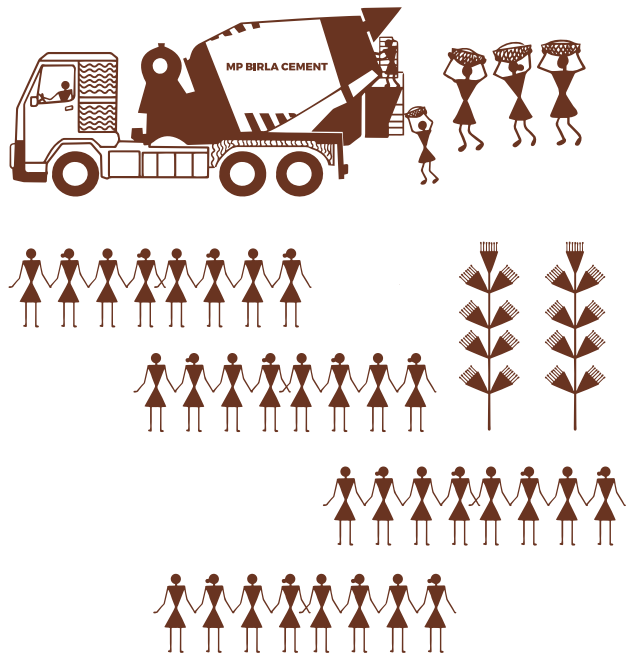
Driven by the philosophy of the MP Birla Group, we engage with local communities around our manufacturing facilities, with the aim of creating better living standards for them. At Mukutban, we collaborated with Central Institute of Petrochemicals Engineering and Technology (CIPET) to impart technical skills that make people employable. We have been running a healthcare programme at Mukutban called Arogyatai, to support the health of young mothers and children. It is estimated that Arogyatai has made a difference to at least 20,000 people across nine villages in the district of Yavatmal. We have collaborated with Better Cotton Initiative, a non-profit, to impart training in sustainable and eco-friendly farming practices. Under this programme, we are working with over 4,000 cotton farmers in 24 villages in the district of Yavatmal. Meanwhile, we have also been conducting cataract surgeries at Umri Christian Charity Hospital.

We are not only striving to improve our operational efficiency and profitability but are also constantly engaging with various stakeholders to make a lasting difference to people who are directly or indirectly dependent on our factories. Our key focus in such initiatives is to make people more employable and environmentally responsible.



# FOREVER RAISING THE BAR

SETTING GREATER GOALS FOR GROWTH

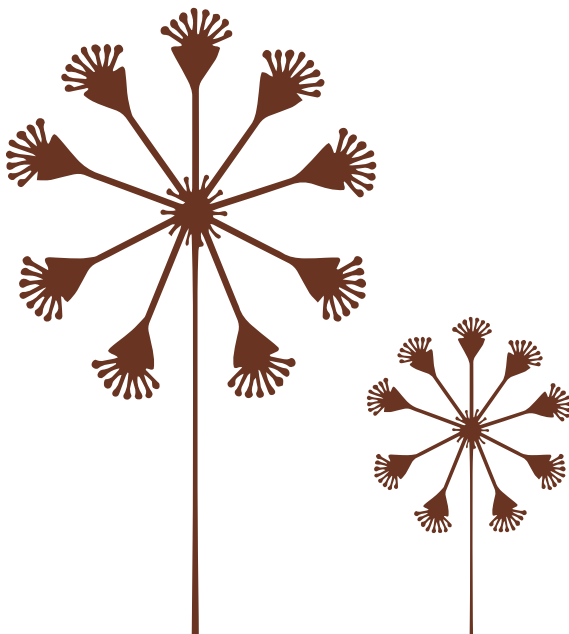


We have been relentlessly pushing the sales of our premium brands, even when faced with sluggish demand. As a result, Perfect Plus has established itself within the MP Birla Cement portfolio as the national flagship brand. It has consistently gained market share in the premium segment. The Mukutban factory produces Perfect Plus, among other brands, and supplies to over 570 dealers and 1800 retailers. We support our MP Birla Cement brands with multiple dealer engagement and customer connect initiatives such as Club Ultimate, Armaan Nirmaan and Akanksha. These platforms are aimed at developing long-term relationships with engineers, architects, contractors and masons, apart from our own dealers.

To ensure timely delivery of our products, a dedicated fleet of at least 900 goods vehicles of varying sizes are deployed under digital supervision of a sophisticated vehicle tracking system. Through the course of our search for consumers in Maharashtra and Telengana, we have managed to establish 40 depots in less than a year.



# A YEAR TO REMEMBER

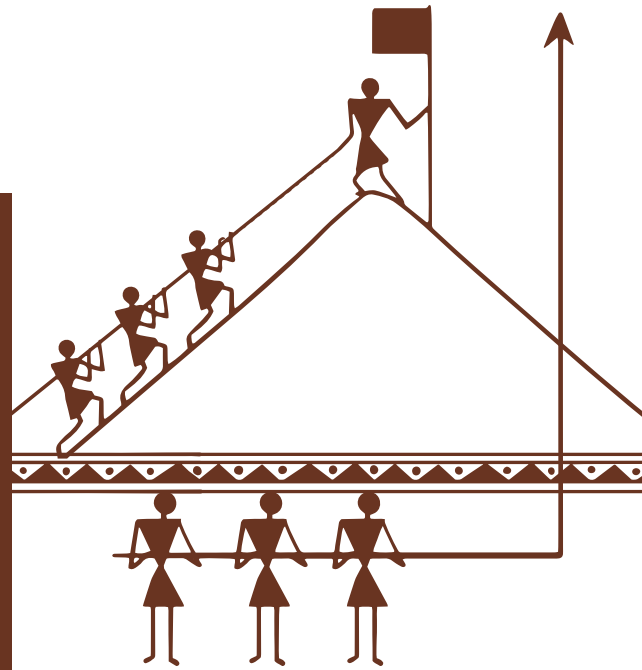




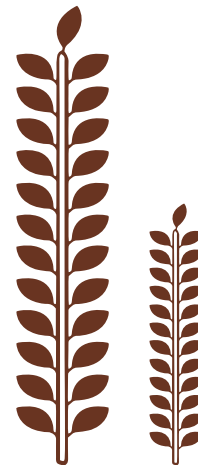


# SCALING HEIGHTS

JOURNEY OF PREMIUMISATION

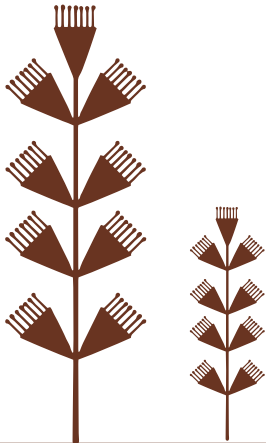


The consolidated sales by volume for FY 2022-23 grew 10.6% year-on-year to 15.73 million tons, while revenue from operations grew 16%, to Rs. 8,682 crore. Realisation per ton was up 5.6% at Rs. 5,216, despite sluggish demand and sharp increase in costs. The focus of the Company was primarily on shoring up sales of premium cement, which accounted for 51% of our total sales through trade channel. In absolute terms, it was 8% more than the previous year. Sales of value-added products, such as Wall Putty and Construction Chemicals increased by 16% and 10%, respectively.



# MAKING HASTE RESPONSIBLY

PROGRESS WITH PRUDENCE



Even as we expand, we are constantly looking at rationalising our borrowing costs to increase profitability. As on 31st March, 2023, our net debt stood at Rs. 3,659 crore against Rs. 3,398 crore a year earlier, despite putting in Rs. 358 crore into the Mukutban plant alone. Simultaneously, we have also reduced our borrowing cost by renegotiating term loans amounting to Rs. 2,200 crore. The average interest on our loans increased by only five basis points, whereas policy rates rose by 149 basis points.

Additionally, to mitigate escalating fuel cost, we scaled up extraction of coal from our own coal mines by 72% over the previous year, raising it to 3.51 lakh tons. This helped contain the fuel cost escalation at 32% for the year. Meanwhile, we have been scaling up the share of non-fossil fuel in total power consumption by investing in Waste Heat Recovery System and solar power generation. Renewables accounted for 22% of total power consumed in FY 2022-23.

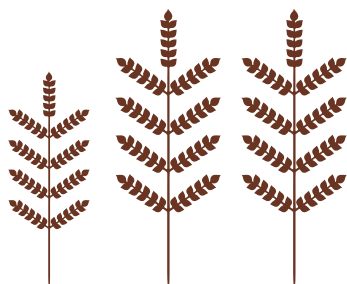
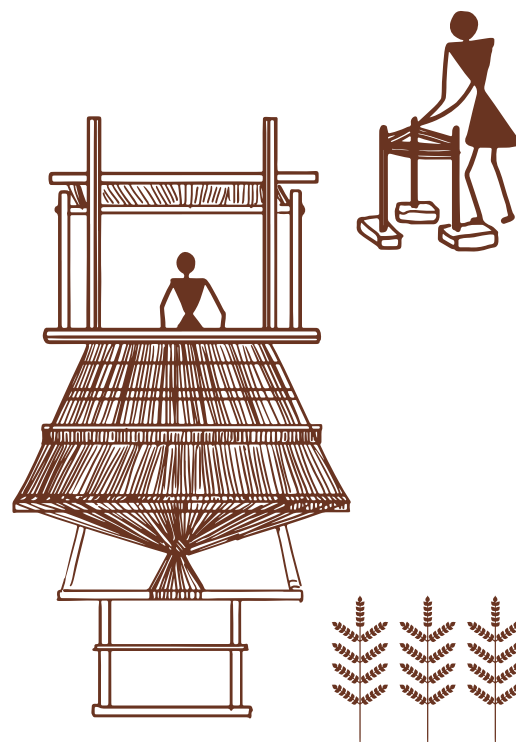


# A LEGACY REDEFINED

## ADDING VALUE TO JUTE OPERATIONS



Birla Jute Mills, one of the forebears of the current Birla Corporation Limited, is one of the oldest jute processing units in operation. Amid turbulence in the jute industry, which has for decades remained synonymous with labour unrest and outages, Birla Jute Mills has sustained its profitability with unwavering consistency, thanks to its focus on developing value-added products. While reducing dependence on Government supplies at regulated prices, the Jute Division has focused on export of shopping bags and packaging material for farm products such as coffee and cocoa. Exports in FY 2022-23 were disrupted by the war in Ukraine, but the Company remains committed to shoring up overseas sales.



## **NOTICE**

### **To the Members**

**NOTICE** is hereby given that the 103rd (Hundred and Third) Annual General Meeting of the Members of the Company will be held on Tuesday, the 5th day of September, 2023 at 10.30 a.m. (IST) at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700026 to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Report of the Auditors thereon.
2. To declare a dividend of ₹2.50/- per ordinary share of face value of ₹10/- each for the financial year ended 31st March, 2023.
3. To appoint a Director in place of Shri Dilip Ganesh Karnik (DIN: 06419513), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 197, 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members be and is hereby accorded to waive the recovery of the excess remuneration amounting to ₹ 84,93,144/- (Rupees Eighty Four Lakh Ninety Three Thousand One Hundred and Forty Four only) paid/payable to Shri Arvind Pathak (DIN: 00585588), erstwhile Managing Director & Chief Executive Officer of the Company for the period from 1st April, 2022 till 31st December, 2022, which is in excess of the limits prescribed under Section 197 read with Schedule V of the Act, in view of inadequate profits of the Company for the financial year 2022-23 but within the limits as approved by the members of the Company at the 101st Annual General Meeting of the Company held on 29th September, 2021.”

“RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”
5. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 197, 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members be and is hereby accorded to waive the recovery of the excess remuneration amounting to ₹ 68,08,902/- (Rupees Sixty Eight Lakh Eight Thousand Nine Hundred and Two Only) paid/payable to Shri Sandip Ghose (DIN: 08526143), the Managing Director & Chief Executive Officer of the Company for the period from 1st December, 2022 till 31st March, 2023, which is in excess of the limits prescribed under Section 197 read with Schedule V of the Act, in view of inadequate profits of the Company for the financial year 2022-23 but within the limits as approved by the members of the Company through Postal Ballot on 14th January, 2023.”

“RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”
6. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 4,50,000/- (Rupees Four Lakh Fifty Thousand only) plus applicable taxes and reimbursement of actual

travelling and out of pocket expenses incurred in connection with the cost audit, payable to M/s. Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), Cost Auditors of the Company, for the financial year 2023-24 as approved by the Board of Directors of the Company, at its Meeting held on 9th May, 2023, be and is hereby ratified and confirmed."

"RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

7. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), upon request of Member(s) for delivery of any document(s) through a particular mode, the Company do serve the same to the Member(s) through that particular mode and charge such fees which shall not be more than the amount charged to the Company by the Department of Post or the Service Provider(s) including related handling charges, if any, to deliver the documents in a particular mode, provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company."

"RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Registered Office:  
Birla Building,  
9/1, R.N. Mukherjee Road,  
Kolkata - 700 001  
CIN: L01132WB1919PLC003334  
Email: [investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com)  
Website: [www.birlacorporation.com](http://www.birlacorporation.com)

By Order of the Board  
  
Manoj Kumar Mehta  
Company Secretary & Legal Head

Dated: 9th May, 2023  
Place: Kolkata

**Notes:**

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM' OR 'MEETING') IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**
- A person shall not act as Proxy for more than Fifty (50) members and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as Proxy and such person shall not act as Proxy for any other member.**
- Attendance Slip, Proxy Form and the Route Map of the venue of the Meeting are annexed herewith.
- Members/Proxies/Authorised Representatives are requested to carry valid ID proof such as PAN, Voter Card, Passport, Driving Licence, Aadhaar Card along with the Attendance Slip duly filled in for attending the Meeting.
- Institutional Investors are encouraged to attend and vote on the resolutions provided in the Notice. Institutional Investors/Corporate Members (i.e. other than individuals, HUF, NRI etc.) intending to authorize their representatives for the purpose of voting through remote e-Voting, participation in the AGM and Voting at the AGM are requested to send a certified copy of the Board Resolution/ Authorization etc. authorizing their representative to attend and vote on their behalf, to the Scrutinizer by email at [evotingam@gmail.com](mailto:evotingam@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- The Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act'), in respect of special business set out under Item Nos. 4 to 7 is annexed hereto and forms part of the Notice.

7. The relevant details of the Director seeking re-appointment as required under Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015('Listing Regulations') is annexed as **Annexure- A** to the Notice.
8. The Annual Report for the financial year 2022-23 along with Notice of the AGM, Attendance Slip and Proxy Form are being sent through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copy of the aforesaid documents are being sent by the permitted mode. The physical copy of the Notice along with Annual Report shall also be made available to the Member(s) who may request for the same in writing to the Company. The Notice of AGM along with the Annual Report for the financial year 2022-23 is also available on the Company's website at [www.birlacorporation.com](http://www.birlacorporation.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
9. The Register of Members and the Share Transfer Books of the Company will remain closed from 30th August, 2023 to 5th September, 2023 (both days inclusive) for the purpose of this AGM and for the purpose of determining the entitlement of the members to the dividend, for the financial year ended 31st March, 2023.
10. The dividend on the ordinary shares, if approved at the AGM, will be paid subject to deduction of tax at source, to the Members whose names appear in the Register of Members/list of Beneficial Owners as at the end of business hours on Tuesday, 29th August, 2023, i.e. the date prior to the commencement of book closure.
11. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [tds@birlacorp.com](mailto:tds@birlacorp.com). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by submitting the relevant forms, declarations and documents through their respective custodians who are registered with depositories for tax services or by sending an email to [tds@birlacorp.com](mailto:tds@birlacorp.com). The Company will be issuing a communication detailing information regarding deduction of tax at source on dividend distribution including action required from members prior to payment of dividend separately. For the detailed process, the information is available on the Company's website at <https://www.birlacorporation.com/notice.html>.
12. Pursuant to the Listing Regulations, all companies mandatorily have to use the bank account details furnished by the depositories for payment of dividends. Dividend will be credited to the Members' Bank Account through NACH/NEFT wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, IFSC, MICR code etc.

**For shares held in electronic form:** to their Depository Participant only and not to the Company or RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records, which will help the Company and its RTA to provide efficient and better service to the Members.

**For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, as per instructions mentioned in the Forms. The said forms can be downloaded from the Company's website under the link: <https://www.birlacorporation.com/downloads.html>.

14. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2014-15 to the Investor Education and Protection Fund ("IEPF") established by the Central Government in compliance with the applicable provisions of the Act read with the rules framed thereunder. The details of the unpaid/unclaimed amounts lying with the Company as on 31st March, 2022 are available on the website of the Company at [www.birlacorporation.com](http://www.birlacorporation.com).

15. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, all Shares in respect of which Dividend has not been paid or claimed by the Members for seven consecutive years or more would be transferred to the demat account of IEPF Authority. In terms of the aforesaid provisions, during the financial year 2022-23, the Company has transferred all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 26th August, 2022. Details of shares transferred to the IEPF Authority are uploaded on the website of IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
16. The Members whose dividend/shares have been transferred to the IEPF Authority may claim the same by making a request to the Company or the Company's RTA for issuance of "Entitlement Letter" and thereafter file web form IEPF-5 and follow the Refund Procedure as detailed on the website of IEPF Authority at <http://www.iepf.gov.in/IEPF/refund.html>.
17. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this and also to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to demat mode. Members can refer the procedure for dematerialization under the weblink at [https://www.birlacorporation.com/investors/demat\\_process.pdf](https://www.birlacorporation.com/investors/demat_process.pdf).
18. As per the provisions of Section 72 of the Act and applicable SEBI Circulars issued from time to time, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <https://www.birlacorporation.com/downloads.html>. Members are requested to submit the said details to their DP's in case the shares are held by them in dematerialized form and to the Company/RTA in case the shares are held in physical form.
19. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by 30th September, 2023, and linking PAN with Aadhaar by 30th June, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's registrar at [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com). The forms for updating the same are available at <https://www.birlacorporation.com/downloads.html>.

In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due dates, the RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing the complete documents as mentioned above. Further, any payment including dividend, interest or redemption payment in respect of such frozen folios, shall only be made through electronic mode w.e.f. 1st April, 2024 upon furnishing the complete documents. If the securities continue to remain frozen as on 31st December, 2025, the RTA/Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.
20. To support "Green Initiatives", Members who have not yet registered their email address are requested to register the same with their depository participant(s) where shares are held in dematerialized form and with the RTA/Company where the shares are held in physical form. Members may follow the process detailed below for registration of email ID to obtain the Notice of AGM, Annual Report, user ID/password for e-Voting or any other document/information:
  - a. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by submitting duly filled and signed Form ISR-1, the format of which is available on the Company's website under the weblink at <https://www.birlacorporation.com/investors/downloads/Form-ISR-1-p-BCL.pdf> along with self-attested copy of the PAN card and self-attested copy of any document (eg.: Driving License, Bank Statement, Election Identity Card, Passport, Aadhaar Card) in support of the address of the Member.
  - b. Members holding shares in dematerialized mode are requested to register/update their email addresses with their respective Depository Participants.
  - c. In case of any queries/difficulties in registering the email address, Members may write to the Company at [investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com).
21. **Instructions for Members for Remote e-Voting are given below:**
  - a) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, SS-2 and Regulation 44 of the Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", the

Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be considered at the AGM by electronic means. The facility of casting the vote by the members using an electronic voting system from a place other than venue of the Meeting ("remote e-Voting") will be provided by CDSL.

- b) The remote e-Voting period commences on Saturday, 2nd September, 2023 at 9.00 a.m. (IST) and ends on Monday, 4th September, 2023 at 5.00 p.m. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 29th August, 2023 may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- c) Members desiring to vote through remote e-Voting may refer to the following steps:

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-Voting facility.

**Pursuant to aforesaid SEBI Circular, Login method for Individual shareholders holding securities in Demat mode with CDSL/NSDL/other depository participants is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of CDSL for casting of vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account.</li> <li>5. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b> .	<p><b>A. NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password.</li> </ol>



Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>2. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL website for casting your vote during the remote e-Voting period.</li> <li>3. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS</b>" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> </ol> <p><b>B. E-Voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>2. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider - NSDL</b> name and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>2. Once you login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>3. Click on options available against company name or <b>e-Voting service provider-CDSL</b> and you will be redirected to e-Voting website of CDSL for casting your vote during the remote e-Voting period.</li> </ol>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 or at 022-23058738 or 022-23058542/43.
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- i. **Login method through CDSL e-voting system for remote e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

1. Visit the e-Voting website of CDSL. Open web browser by typing the following URL: <https://www.evotingindia.com/> either on a Personal Computer or on a mobile.
2. Click on “Shareholders” module.
3. Now enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 digits Client ID,
  - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

7. After entering these details appropriately, click on “SUBMIT” tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for **“Birla Corporation Limited”**
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload Board Resolution/POA if any uploaded, which will be made available to scrutinizer for verification.

ii. **Additional Facility for Non-Individual Shareholders and Custodians For Remote Voting only.**

1. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
4. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
5. It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
6. Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

22. **General Guidelines for shareholders**

- a) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option to reset the password.
- b) If you have any queries or issues regarding e-Voting from the CDSL e-Voting system, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.  

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.
- c) You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- d) The facility for voting through ballot/polling papers shall be made available at the Meeting and the members attending the Meeting who have not already cast their vote by remote e-Voting shall be able to exercise their voting right at the Meeting through ballot paper. However, the members who have cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again at the meeting.
- e) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 29th August, 2023. Any person who is not a member as on the said cut-off date should treat this Notice for information purpose only.
- f) Any person, who acquires shares of the Company and become a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Tuesday, 29th August, 2023 may obtain the User ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com).

However, if you are already registered with CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote.

- g) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through ballot paper at the Meeting.
  - h) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  - i) Shri Anil Kumar Murarka (Membership No. F3150, C.P No. 1857), LLB, Company Secretary in Wholetime Practice, has been appointed as the Scrutinizer to scrutinize the voting and remote e-Voting process in a fair and transparent manner.
  - j) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, and submit the Report to the Chairman or a person authorized by him in writing, who shall countersign the same.
  - k) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.birlacorporation.com](http://www.birlacorporation.com) and on the website of CDSL at [https:// www.evotingindia.com](https://www.evotingindia.com). The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
23. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members during the AGM. All relevant documents referred to in the Notice, if any, will also be available for inspection at the Registered Office/Corporate Office of the Company during business hours between 10 A.M. to 12 Noon on any working day excluding Saturday prior to the date of the AGM and will also be available for inspection during the AGM.

## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the business proposed to be transacted under Item Nos. 4 to 7 of the accompanying Notice:

### **Item Nos. 4 and 5**

Shri Arvind Pathak, erstwhile Managing Director & Chief Executive Officer of the Company was appointed for a period of three years with effect from 31st March, 2021, by means of Ordinary Resolution passed by the Members at the 101st Annual General Meeting of the Company held on 29th September, 2021 on the terms and conditions including payment of remuneration as mentioned therein. He resigned as the Managing Director & Chief Executive Officer with effect from the close of business hours of 31st December, 2022.

Shri Sandip Ghose, the incumbent Managing Director & Chief Executive Officer, was appointed as an Additional Director of the Company with effect from 1st December, 2022 and also simultaneously designated as Wholetime Director of the Company for the period from 1st December, 2022 to 31st December, 2022. Further, upon cessation of office of Shri Arvind Pathak as the Managing Director & Chief Executive Officer with effect from the close of business hours of 31st December, 2022, Shri Sandip Ghose was elevated as the Managing Director & Chief Executive Officer of the Company for a period of 3 (three) years w.e.f. 1st January, 2023, by means of Ordinary Resolution passed by the Members through Postal Ballot on 14th January, 2023 on the terms and conditions including payment of remuneration as mentioned therein.

During the financial year 2022-23, the cement industry witnessed an unprecedented increase in fuel prices driven by geo-political tensions and constrained availability of domestic coal, further accentuated by 8% depreciation in the currency. Resumption of Busy Season Surcharge by Railways on rail freight effective 1st October, 2022 after a three-year hiatus led to increase in logistics costs. The industry was unable to pass through such sharp increase in costs resulting in sharp contraction in operating margins of all the companies.

The Company took several initiatives to bring down the costs such as increased usage of alternate fuels, transportation of fly ash through rakes, optimization of fuel mix to bring down the content of imported fuel and swapping of clinker with peers to bring down logistics costs. However, savings on account of such measures could not fully set off the steep increase in the costs, leading to erosion in the operating margins. The profits were further affected by increase in borrowing costs driven by huge increase of 250 basis points in repo rates by Reserve Bank of India. Consequently, owing to the extraneous factors, the profit of the Company was exceptionally low at ₹ 45.40 crores as on 31st March, 2023.

As a result of the above, the remuneration paid/payable to Shri Arvind Pathak during the period from 1st April, 2022 to 31st December, 2022 and Shri Sandip Ghose during the period from 1st December, 2022 to 31st March, 2023 has exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto.

Pursuant to Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution.

The Nomination and Remuneration Committee and the Board of Directors at their respective meeting(s) held on 8th May, 2023 and 9th May, 2023, affirmed that the remuneration as previously approved by the members of the Company at the Annual General Meeting of the Company held on 29th September, 2021 and paid/payable to Shri Arvind Pathak and the remuneration as previously approved by the members of the Company through Postal Ballot on 14th January, 2023 and paid/payable to Shri Sandip Ghose is justified in terms of their key role performed by them during their respective periods and accordingly subject to the approval of the members of the Company, accorded their approvals for waiver of the recovery of excess managerial remuneration paid/payable by the Company to Shri Arvind Pathak and Shri Sandip Ghose.

The Company has not defaulted in payment of dues to any bank or public financial institutions or non-convertible debenture holders or other secured creditors, if any.

The information as required to be disclosed under paragraph (iv) of the second proviso of Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 and additional information in respect to Shri Arvind Pathak and Shri Sandip Ghose pursuant to Secretarial Standard on General Meetings are given in the **Annexure - B** which forms part of the Notice.

Copies of the Agreement executed by the Company with Shri Arvind Pathak and Shri Sandip Ghose setting out their terms and conditions of appointment and remuneration payable to them and relevant resolutions passed at the Board and Committee Meetings referred to in the resolutions would be available for inspection by the members. Please refer note given in the Notice on inspection of documents.

None of the Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

Save and except Shri Sandip Ghose and his relatives to the extent of their shareholding interest, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

Accordingly, the Board proposes that approval of the members of the Company by way of a special resolution be obtained for the waiver of recovery of excess remuneration paid/payable to Shri Arvind Pathak and Shri Sandip Ghose.

**Item No. 6**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in practice.

In compliance with the above, based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 9th May, 2023, has considered and approved the appointment of M/s. Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), as the Cost Auditors of the Company for the financial year 2023-24 to conduct the audit of the cost records of the Company for the following products at a total remuneration of ₹ 4,50,000 (Rupees Four Lakh Fifty Thousand only) per annum plus tax as applicable and reimbursement of travelling and incidental expenses incurred in connection with the Cost Audit:

1. Cement - ₹ 2,85,000 (Rupees Two Lakh Eighty Five Thousand only) per annum.
2. Jute Goods - ₹ 1,40,000 (Rupees One Lakh Forty Thousand only) per annum.
3. Steel - ₹ 25,000 (Rupees Twenty Five Thousand only) per annum.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution as set out at Item No. 6 of the Notice.

The Board of Directors, therefore, recommends the resolution set out at Item No. 6 to be passed as Ordinary Resolution by the members for ratification of the remuneration payable to the Cost Auditors for the financial year 2023-24.

**Item No. 7**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or address or by such electronic or other mode as may be prescribed.

Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the Company in its Annual General Meeting.

To enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch shall be paid in advance by the shareholder to the Company.

None of the Directors/Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution as set out at Item No. 7 of the Notice.

Accordingly, the Board recommends the ordinary resolution as set out in Item No. 7 of this Notice, for approval of the members.

Registered Office:  
Birla Building,  
9/1, R.N. Mukherjee Road,  
Kolkata - 700 001  
CIN: L01132WB1919PLC003334  
Email: [investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com)  
Website: [www.birlacorporation.com](http://www.birlacorporation.com)

By Order of the Board  
  
Manoj Kumar Mehta  
Company Secretary & Legal Head

Dated: 9th May, 2023  
Place: Kolkata

## ANNEXURE TO ITEM NO. 3 OF THE NOTICE

Details of Director seeking re-appointment at the forthcoming Annual General Meeting  
[in pursuance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

(As on 31st March, 2023)

<b>Name of the Director</b>	Shri Dilip Ganesh Karnik (DIN: 06419513)
<b>Date of Birth and Age</b>	10.05.1950 (73 years)
<b>Nationality</b>	Indian
<b>Date of first appointment on the Board of Directors of the Company</b>	11.11.2017
<b>Qualifications</b>	Completed Bachelor of Science from University of Pune in the year 1969 and is also a Gold medalist in Law from University of Pune.
<b>Experience (including nature of expertise in specific functional areas)/ Brief Resume</b>	He was a practicing advocate and Judge of Hon'ble Bombay High Court. He has a vast experience as an Arbitrator and Legal Consultant (Advisor in Commercial, Corporate, Property and Family Laws and Arbitrator in Commercial, Property and Family Disputes).
<b>Number of shares held in the Company</b>	500
<b>List of directorships held in other companies</b>	<ol style="list-style-type: none"> <li>1. Universal Cables Limited</li> <li>2. Vindhya Telelinks Limited</li> <li>3. ICICI Prudential Life Insurance Company Limited</li> <li>4. ICICI Securities Primary Dealership Limited</li> <li>5. ICICI Prudential Asset Management Company Limited</li> </ol>
<b>Chairman/Member of the Committees of the Boards of the Companies in which he is Director</b>	<p><b>Chairman</b></p> <p><b>ICICI Prudential Life Insurance Company Limited</b>  <i>Nomination and Remuneration Committee (Chairman)</i>  <i>Corporate Social Responsibility Committee (Chairman)</i>  <i>Audit Committee (Member)</i>  <i>Customers Service &amp; Policy Holders' Protection Committee (Member)</i></p> <p><b>ICICI Securities Primary Dealership Limited</b>  <i>Nomination and Remuneration Committee (Chairman)</i>  <i>Corporate Social Responsibility Committee (Chairman)</i>  <i>Audit Committee (Member)</i>  <i>Risk Management Committee (Member)</i></p> <p><b>ICICI Prudential Asset Management Company Limited</b>  <i>Audit Committee (Member)</i>  <i>Nomination and Remuneration Committee (Member)</i>  <i>Risk Management Committee (Member)</i></p> <p><b>Vindhya Telelinks Limited</b>  <i>Risk Management Committee (Member)</i>  <i>Stakeholders Relationship Committee (Member)</i></p> <p><b>Birla Corporation Limited</b>  <i>Risk Management Committee (Member)</i></p>

**ANNEXURE TO ITEM NO. 3 OF THE NOTICE** (Contd.)

<b>Listed entities from which he resigned in the past three years</b>	Nil
<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	None
<b>Number of meetings of the Board attended during the year 2022-23</b>	Shri Dilip Ganesh Karnik has attended all the 7 (seven) Board Meetings held during the financial year.
<b>Number of ESOPs granted</b>	Nil
<b>Terms and conditions of Re-appointment</b>	He is a Non-Executive Non-Independent Director and liable to retire by rotation.
<b>Details of Remuneration sought to be paid</b>	Shri Dilip Ganesh Karnik shall be entitled to sitting fees for attending meetings of the Board and Committees thereof and Commission as may be decided by the Board of Directors of the Company from time to time.
<b>Remuneration last drawn (including sitting fees, if any)</b>	The details of the Remuneration paid to Shri Dilip Ganesh Karnik during the financial year 2022-23 is provided in the Report on Corporate Governance.



**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED  
UNDER SCHEDULE V OF THE COMPANIES ACT, 2013**

**I. GENERAL INFORMATION**

**1. Nature of Industry**

Birla Corporation Limited, the flagship Company of the MP Birla Group, is one of India's leading cement manufacturers. The Company's Birla Jute Mills is also the first jute mill to be started by an Indian entrepreneur. The Company and its subsidiary, RCCPL Private Limited, have 11 cement plants spread in eight locations across the country, with an annual installed capacity of 20 million tons.

The Company produces an array of cement products, under the MP Birla Cement brand, suited to different climatic conditions as well as consumer segments. It also offers construction chemicals and wall putty. The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute goods industry as well.

**2. Date or expected date of commencement of commercial production:**

The Company was incorporated on 25th August, 1919 and it has been in commercial production for over 100 years.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable.

**4. Financial performance based on given indicators:**

(₹ in Crores)

Particulars	Financial year 2022-23	Financial year 2021-22	Financial year 2020-21
Total Revenue	5543.61	4885.32	4553.38
Profit before Interest, Depreciation and Tax	342.66	549.83	720.89
Profit after Tax	45.40	202.92	428.51

**5. Foreign investments or collaborations, if any:**

The Company has not entered into any foreign collaboration and no direct capital investment has been made in the Company during the previous three financial years. The foreign investors, mainly comprising of FPIs and NRIs are investors in the Company on account of secondary market purchases. As on 31st March, 2023, the aggregate foreign shareholding in the Company was approximately 6.14%.

**II. INFORMATION ABOUT THE APPOINTEES:**

Sr. No.	Particulars	Shri Arvind Pathak	Shri Sandip Ghose
1.	Background details	Shri Arvind Pathak has around 40 years of overall experience of which 38 years has been in the cement industry. He has held CEO or equivalent positions for over 16 years in various large organisations which include Birla Corporation, ACC, DCP, Adani and Reliance ADAG group. Skilled in manufacturing, operations management, strategic planning, project development and execution, driving cost reduction and negotiations, Shri Pathak has a strong track record of successful planning and execution of long-term business plans. He holds a degree in Electrical Engineering from Indian Institute of Technology (Banaras Hindu University), Varanasi and a postgraduate degree in Industrial Engineering and Management. He has also been trained in a number of international management institutions.	Shri Sandip Ghose a qualified Chartered Accountant with All India Merit Rank has over 40 years of professional experience in industries ranging from Consumer Goods (FMCG), Media and Cement. As Chief Operating Officer of Birla Corporation Limited (BCL) upto 30th September, 2020, he played a pivotal part in making it one of the best performing cement companies in the mid-cap segment. During his tenure, he transformed the sales and marketing operations of the Company, creating brand architect and increasing the sale of premium products to a significant part of the trade volumes. He was instrumental in integration of brands and sales and marketing operations of BCL and RCCPL Private Limited (wholly owned subsidiary of BCL) and fast ramp up of RCCPL volumes. Apart from his multi-disciplinary skill set and deep domain knowledge, he is high on people skills and adept at managing stakeholder relations. He is also an invited columnist in several publications and TV panelist.

Sr. No.	Particulars	Shri Arvind Pathak			Shri Sandip Ghose		
2.	Past remuneration	₹ in lakhs			₹ in lakhs		
		<b>Particulars</b>	<b>F.Y. 2022-23*</b>	<b>F.Y. 2021-22</b>	<b>Particulars</b>	<b>F.Y. 2022-23*</b>	<b>F.Y. 2021-22</b>
		Salary	99.30	120.00	Salary	56.00	N.A.
		Perquisites and Allowances	207.47	230.41	Perquisites and Allowances	94.02	N.A.
		Performance Linked Bonus	52.50	80.00	Performance Linked Bonus	40.00	N.A.
		Total	359.27	430.41	Total	190.02	N.A.
		* resigned w.e.f. 31st December, 2022			* appointed w.e.f. 1st December, 2022		
3.	Recognition or awards	-			<p>Sandip Ghose is qualified Chartered Accountant with forty years' experience. He was an all-India merit rank holder in the entrance, intermediate and final examinations of The Institute of Chartered Accountants of India. An experienced Business Leader, in his long professional career he has worked in a variety of leadership roles across industries ranging from Consumer Goods (FMCG), Media and Cement in India and Nepal.</p> <p>Shri Ghose is a well-known public speaker. Empanelled by The Outstanding Speakers Bureau (TOSB) he speaks on Leadership and Marketing issues He is an invited columnist in many print, on-lime and digital publications and a regular panellist on national television on matters of national interest.</p> <p>Shri Ghose is an ICF (International Coach Federation) accredited professional Leadership and Life Coach. He has also been a strategic advisor to a leading national think-tank CPPR (Council for Public Policy and Research).</p>		
4.	Job Profile and his suitability	<p><b>Job profile:</b></p> <p>Shri Arvind Pathak was appointed as Managing Director &amp; Chief Executive Officer of the Company w.e.f. 31st March, 2021. During his tenure he was authorised to generally look after the management of the affairs of the Company subject to the overall superintendence, control and directions of the Board of the Company.</p> <p>He has resigned from the Directorship of the Company w.e.f. 31st December, 2022.</p> <p><b>Suitability:</b></p> <p>During his tenure the Company achieved its highest ever cement sales by volume and commenced its 3.90 million ton integrated cement plant at Mukutban which is one of the most advanced cement factories in India, in terms of technology and efficiency parameters.</p>			<p><b>Job profile:</b></p> <p>Shri Sandip Ghose, Managing Director &amp; Chief Executive Officer of the Company, shall generally look after the management of the affairs of the Company subject to the overall superintendence, control and directions of the Board of the Company. The Board may from time to time entrust Mr. Ghose with such powers exercisable by the Board as they think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think proper, which shall be exercised by Mr. Ghose diligently, in the best interests of the Company.</p> <p><b>Suitability:</b></p> <p>Shri Sandip Ghose is a professional business leader with a track record of leading and transforming large and diversified organisations, across various industries including manufacturing, service, industrial, consumer and retail businesses.</p> <p>He was instrumental in integration of brands and sales and marketing operations of BCL and RCCPL Private Limited (wholly owned subsidiary of BCL) and fast ramp up of RCCPL's volumes.</p>		

Sr. No.	Particulars	Shri Arvind Pathak		Shri Sandip Ghose	
		Particulars	F.Y. 2022-23 (in ₹)	Particulars	F.Y. 2022-23 (in ₹)
5.	Remuneration proposed	Ceiling on managerial remuneration as per Companies Act, 2013 (on pro rata basis)	2,74,33,708	Ceiling on managerial remuneration as per Companies Act, 2013 (on pro rata basis)	1,21,92,759
		Amount actually paid/payable as Remuneration for the period from 1st April 2022 to 31st December, 2022	3,59,26,852	Amount actually paid/payable as Remuneration for the period from 1st December 2022 to 31st March, 2023	1,90,01,661
		Excess Remuneration	84,93,144	Excess Remuneration	68,08,902
6.	<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin):</b>	Taking into consideration the size of the Company, the profile of the Directors, knowledge skills, responsibilities shouldered by them and the industry benchmarks, the remuneration paid/payable to them is commensurate with the remuneration packages paid to similar senior executives levels in other companies.			
7.	<b>Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any</b>	Shri Arvind Pathak, does not have any pecuniary relationship (except managerial remuneration), directly or indirectly with the Company and does not hold any relationship with any managerial personnel except that he holds 450 equity shares as on 31st March, 2023 in the Company.		Shri Sandip Ghose, does not have any pecuniary relationship (except managerial remuneration), directly or indirectly with the Company and does not hold any relationship with any managerial personnel except that he holds 500 equity shares (qualification shares) as on 31st March, 2023 in the Company.	

### III. OTHER INFORMATION:

#### 1. Reason of loss or inadequate profits:

Inadequacy of Profits of the Company during the financial year 2022-2023 was for reasons completely beyond the control of the Management. The cement industry witnessed an unprecedented increase in fuel prices driven by geo-political tensions and constrained availability of domestic coal, further accentuated by 8% depreciation in the currency. Resumption of Busy Season Surcharge by Railways on rail freight effective 1st October, 2022 after a three-year hiatus led to increase in logistics costs. The industry was unable to pass through such sharp increase in costs resulting in sharp contraction in operating margins of all the companies.

The company took several initiatives to bring down the costs such as increased usage of alternate fuels, transportation of fly ash through rakes, optimization of fuel mix to bring down the content of imported fuel and swapping of clinker with peers to bring down logistics costs. However, savings on account of such measures could not fully set off the steep increase in the costs, leading to erosion in the operating margins. The profits were further affected by increase in borrowing costs driven by huge increase of 250 basis points in repo rates by Reserve Bank of India. Consequently, owing to the extraneous factors, the profit of the company was exceptionally low at ₹45.40 crores for the year ended 31st March, 2023.

As a result of the above, the remuneration paid/payable to Shri Arvind Pathak during the period from 1st April, 2022 to 31st December, 2022 and Shri Sandip Ghose during the period from 1st December, 2022 to 31st March, 2023 exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto.

#### 2. Steps taken or proposed to be taken for improvement:

The Company has taken various initiatives to improve the financial performance going ahead encompassing key functional areas of sales and marketing, manufacturing and logistics. To mitigate the cost pressure, the Company has optimized its fuel consumption mix, the full benefits of which are to be realized during the financial year 2023-2024. Further coal, fuel prices and pet coke prices have also started to come down which will improve the Company's profitability.

To reduce its dependency on non-renewable energy, the Company has been making substantial investments in renewable power, thereby increasing share of renewable energy in total power consumption.

On sales and marketing front, the Company is focusing on increasing share of premium products in the total volumes which will improve the realisation and profitability, coupled with cost rationalization initiatives, which have already been taken. The Company expects its overall profitability to improve significantly in the quarters ahead.

For further rationalization of costs, the Company is looking to scale up production of coal from its own mines. It is taking measures for commencement of operations at its 3.60 lac ton per annum capacity Bikram Coal Block in this financial year. Once operational, it is expected to bring down the fuel cost of the Company and aid profitability. The Company is undertaking multiple initiatives to improve internal efficiency and competitiveness in manufacturing. It has launched Project Shikhar to achieve excellence in manufacturing and operational efficiencies, which will lead to reduction in manufacturing cost.

**3. Expected increase in productivity and profits in measurable terms:**

It is expected that measures taken by the Company in optimizing cost and continued thrust to increase the sales of premium products will help the Company in earning higher profits in the financial year 2023-24 compared to financial year 2022-23.

**IV. DISCLOSURES:**

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Directors' Report under the heading "Report on Corporate Governance" forming part of the Annual Report for the year ended 31st March, 2023.

**ADDITIONAL INFORMATION IN RESPECT TO SHRI ARVIND PATHAK AND SHRI SANDIP GHOSE  
PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS**

**(As on 31st March, 2023)**

<b>Name of the Director</b>	Shri Arvind Pathak (DIN: 00585588)	Shri Sandip Ghose (DIN: 08526143)
<b>Date of Birth and Age</b>	08.01.1959 (64 years)	17.09.1960 (62 years)
<b>Nationality</b>	Indian	Indian
<b>Date of first appointment on the Board of Directors of the Company</b>	31.03.2021	01.12.2022
<b>Qualifications</b>	Shri Pathak holds an Electrical Engineering degree from the IIT (BHU) and PG degree in Industrial Engineering and Management.	Chartered Accountant with All India Merit Rank.
<b>Experience (including nature of expertise in specific functional areas)/ Brief Resume</b>	As provided aforesaid.	As provided aforesaid.
<b>Number of shares held in the Company</b>	450	500
<b>List of directorships held in other companies</b>	Nil	1. RCCPL Private Limited
<b>Chairman/Member of the Committees of the Boards of the Companies in which he is Director</b>	Nil	<b>Birla Corporation Limited</b> <i>Stakeholders Relationship Committee (Member)</i> <i>Audit Committee (Member)</i> <i>Risk Management Committee (Member)</i> <i>Committee of Directors (Member)</i> <b>RCCPL Private Limited</b> <i>Audit Committee (Member)</i> <i>Committee of Directors (Member)</i>
<b>Listed entities from which he resigned in the past three years</b>	Birla Corporation Limited	Nil
<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	None	None
<b>Number of meetings of the Board attended during the year 2022-2023</b>	Shri Arvind Pathak was entitled to attend 6 (Six) Board Meetings during the financial year and had attended all of them.	Shri Sandip Ghose was entitled to attend 2 (Two) Board Meetings during the financial year and had attended all of them.
<b>Number of ESOPs granted</b>	Nil	Nil
<b>Terms and conditions of Appointment/Re-appointment</b>	Not Applicable as Shri Arvind Pathak has resigned w.e.f. 31st December, 2022.	As per the agreement entered by the Company with Shri Sandip Ghose.
<b>Details of Remuneration sought to be paid</b>	As provided aforesaid.	As provided aforesaid.
<b>Remuneration last drawn (including sitting fees, if any)</b>	As provided aforesaid.	As provided aforesaid.

**ROUTE MAP OF THE AGM VENUE**

**Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700 026**



## CONSOLIDATED FINANCIAL HIGHLIGHTS

(₹ in Crores)

	As per IND AS								As per Indian GAAP	
	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
<b>OPERATING RESULTS</b>										
<b>Revenue from Operations/Turnover</b>	<b>8682.27</b>	<b>7461.22</b>	<b>6785.45</b>	<b>6915.69</b>	<b>6548.73</b>	<b>5943.11</b>	<b>4981.22</b>	<b>3761.59</b>	<b>3692.17</b>	<b>3477.92</b>
Surplus before Finance Cost, Depreciation, Tax Expenses & Exceptional Items (EBITDA)	<b>885.06</b>	1208.79	1437.48	1421.10	1027.08	882.12	769.40	463.47	457.55	382.03
Finance Cost	<b>338.72</b>	242.66	296.28	387.67	370.52	377.64	276.79	82.26	78.37	85.60
<b>Surplus after Finance Cost but before Depreciation &amp; Amortisation, Tax Expenses &amp; Exceptional Items</b>	<b>546.34</b>	<b>966.13</b>	<b>1141.20</b>	<b>1033.43</b>	<b>656.56</b>	<b>504.48</b>	<b>492.61</b>	<b>381.21</b>	<b>379.18</b>	<b>296.43</b>
Depreciation and Amortisation	<b>509.88</b>	396.94	370.76	351.91	339.12	332.16	255.50	148.76	153.46	133.06
Exceptional Items	<b>(6.65)</b>	31.44	57.85	-	-	12.48	6.82	31.49	12.84	10.93
Tax Expenses	<b>2.61</b>	139.16	82.45	176.34	61.74	5.89	10.82	33.23	37.44	22.61
<b>Net Profit</b>	<b>40.50</b>	398.59	630.14	505.18	255.70	153.95	219.47	167.73	175.44	129.82
Dividend Payout	<b>77.01</b>	77.01	57.75	69.62 <sup>#</sup>	60.34	60.24	55.61	55.61	55.61	54.06
Dividend Percentage	<b>100.00</b>	100.00	75.00	75.00	65.00	65.00	60.00	60.00	60.00	60.00
<b>Retained Earning during the year</b>	<b>(36.51)</b>	<b>321.58</b>	<b>572.39</b>	<b>435.56</b>	<b>195.36</b>	<b>93.71</b>	<b>163.86</b>	<b>112.12</b>	<b>119.83</b>	<b>75.76</b>
<b>ASSETS &amp; LIABILITIES</b>										
Fixed Assets:										
Gross Block	<b>12878.21</b>	12305.99	11213.62	10345.24	9252.17	8867.18	7572.26	2245.88	3284.54	3090.27
<b>Net Block</b>	<b>10200.52</b>	10127.95	9428.40	8929.45	8178.35	8131.07	7168.32	2097.35	2050.38	2012.23
Other Assets	<b>3871.47</b>	3723.64	3467.19	3246.02	3153.26	2943.87	2529.50	3131.97	2940.88	2858.82
<b>Total Assets</b>	<b>14071.99</b>	<b>13851.59</b>	<b>12895.59</b>	<b>12175.47</b>	<b>11331.61</b>	<b>11074.94</b>	<b>9697.82</b>	<b>5229.32</b>	<b>4991.26</b>	<b>4871.05</b>
Represented by :										
Share Capital	<b>77.01</b>	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01
Other Equity /Reserves & Surplus	<b>5903.79*</b>	5971.84*	5408.98*	4729.12*	4418.21*	4202.81*	3227.98	2848.31	2547.10	2452.07
<b>Net Worth</b>	<b>5980.80</b>	<b>6048.85</b>	<b>5485.99</b>	<b>4806.13</b>	<b>4495.22</b>	<b>4279.82</b>	<b>3304.99</b>	<b>2925.32</b>	<b>2624.11</b>	<b>2529.08</b>
Borrowings	<b>4349.66</b>	4208.04	4046.42	4281.95	4049.20	4130.46	4254.94	1281.25	1302.18	1401.30
Other Liabilities & Provisions	<b>3741.53</b>	3594.70	3363.18	3087.39	2787.19	2664.66	2137.89	1022.75	1064.97	940.67
<b>Total Equity &amp; Liabilities</b>	<b>14071.99</b>	<b>13851.59</b>	<b>12895.59</b>	<b>12175.47</b>	<b>11331.61</b>	<b>11074.94</b>	<b>9697.82</b>	<b>5229.32</b>	<b>4991.26</b>	<b>4871.05</b>
<b>Key Indicators</b>										
Earning per Ordinary Share (₹)	<b>5.26</b>	51.76	81.83	65.60	33.21	19.99	28.50	21.78	22.78	16.86
Cash Earning per Ordinary Share (₹) (annualised)	<b>71.81</b>	121.38	140.68	134.20	85.26	63.89	63.09	45.41	47.57	37.08
Net Worth per Ordinary Share (₹)	<b>776.67</b>	785.51	712.42	624.13	583.75	555.78	429.19	379.89	340.77	328.43
Debt Equity Ratio (on long-term loans)	<b>0.87:1</b>	0.79:1	0.88:1	1.08:1	1.13:1	1.21:1	1.26:1	0.42:1	0.44:1	0.49:1
Current Ratio	<b>1.29</b>	1.34	1.32	1.28	1.40	1.54	1.59	2.86	3.65	2.58

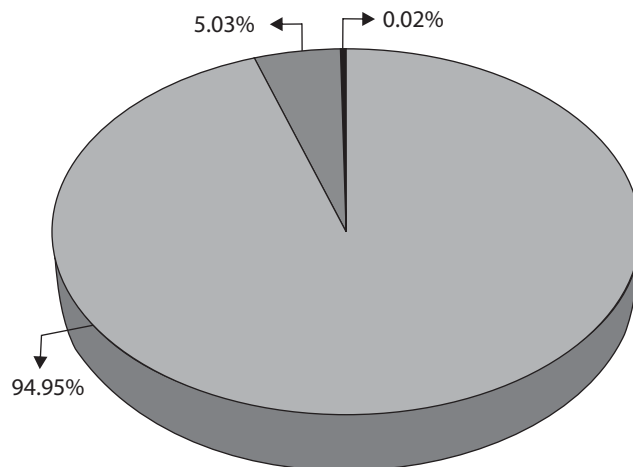
\* Including Revaluation Surplus

# Dividend Paid in the FY 2020-2021

**Statement of Revenue from Operations by Activities**

2022-2023

(₹ in Crores)

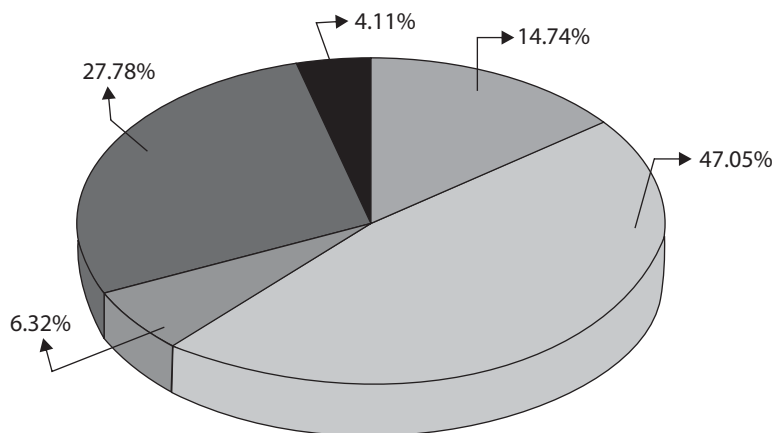


■	Cement	: 8243.45 (94.95%)
■	Jute	: 436.60 (5.03%)
■	Others	: 2.22 (0.02%)

**Revenue Distribution**

2022-2023

(₹ in Crores)



■	Raw Materials	: 1216.02 (14.74%)
■	Manufacturing Expenses	: 3881.08 (47.05%)
■	Employees Benefits Expenses	: 521.31 (6.32%)
■	Selling, Administration & Other Expenses	: 2291.85 (27.78%)
■	Finance Costs	: 338.72 (4.11%)



## DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

### To the Members

The Directors have the pleasure in presenting the 103rd Annual Report on the business and operations of Birla Corporation Limited ('Company') together with the Audited Financial Statements of the Company and its Subsidiaries for the financial year ended 31st March, 2023. The Management Discussion and Analysis also forms a part of this Report.

### FINANCIAL PERFORMANCE

The financial performance of the Company (Standalone and Consolidated) for the financial year ended 31st March, 2023 and its comparison with the previous year is summarised below:

(₹ in Crore)

PARTICULARS	STANDALONE				CONSOLIDATED			
	31.03.2023		31.03.2022		31.03.2023		31.03.2022	
Revenue from Operations (Gross)		5441.19		4790.93		8682.27		7461.22
Total Income		5543.61		4885.32		8795.32		7560.00
Profit before Finance Costs, Tax, Depreciation, Amortization, Minority Interest and Exceptional items		368.12		581.27		885.06		1208.79
Finance Costs		107.00		100.53		338.72		242.66
Profit before Tax, Depreciation, Amortization, Minority Interest and Exceptional items		261.12		480.74		546.34		966.13
Depreciation and Amortization Expense	187.31		176.86		509.88		396.94	
Exceptional items	25.46		31.44		(6.65)		31.44	
Tax Expense (Net)	2.95	215.72	69.52	277.82	2.61	505.84	139.16	567.54
<b>Profit for the year</b>		<b>45.40</b>		<b>202.92</b>		<b>40.50</b>		<b>398.59</b>
Profit for the year attributable to non controlling interest		-		-		-		-
Profit for the year attributable to owner of the Parent		45.40		202.92		40.50		398.59
Re-measurement of the defined benefit plans (net of tax expenses)		(0.29)		5.66		(2.84)		6.25
<b>Total Surplus during the year</b>		<b>45.11</b>		<b>208.58</b>		<b>37.66</b>		<b>404.84</b>
Surplus as per the last Financial Statements*		1079.38		947.81		1825.51		1497.68
<b>Appropriations:</b>								
Dividend paid on Ordinary Shares		77.01		77.01		77.01		77.01
<b>Net Surplus</b>		<b>1047.48</b>		<b>1079.38</b>		<b>1786.16</b>		<b>1825.51</b>

\* After adjustment of re-measurement of the defined benefit plans (net of tax expenses)

### FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS

Financial year 2022-2023 was extremely challenging as input costs particularly fuel increased substantially which continued to impact operations. The Company's full year consolidated revenue for the financial year 2022-2023 grew 16.34% over the previous year to ₹ 8795.32 crores, despite sluggish demand in most key markets, thanks largely to a significant spurt in sales in the March quarter which wiped out cumulative losses till end of December.

However, profitability was seriously impaired by rising input costs and the cement industry's inability to raise prices. EBIDTA for the financial year 2022-2023 at ₹ 885.06 crores was down 26.78% from the previous year and cash profit was down 43.45% at ₹ 546.34 crores. Consolidated Net Profit for the year declined 89.84% year-on-year to ₹ 40.50 crores, compared with ₹ 398.59 crores in the previous year.

#### **DIVIDEND**

The Directors are pleased to recommend a dividend of ₹ 2.50 per share (i.e. 25%) on 7,70,05,347 Ordinary Shares of the Company for the year ended 31st March, 2023 aggregating to ₹ 19.25 crores. The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is uploaded on the Company's website at <https://www.birlacorporation.com/investors/policies/dividend-distribution-policy.pdf>.

Dividend is subject to approval of the Members at the ensuing Annual General Meeting. In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Accordingly, the Company shall make the payment of Dividend after deduction of tax at prescribed rates as per the Income Tax Act, 1961 and rules framed thereunder.

#### **TRANSFERTO RESERVES**

The Board of Directors have decided to retain the entire amount of profit for the financial year 2022-2023 in the Statement of Profit & Loss for the financial year ended 31st March, 2023.

#### **SHARE CAPITAL**

The paid up Equity Share Capital of the Company as on 31st March, 2023 stood at ₹ 77.01 crores comprising of 7,70,05,347 Ordinary Shares of ₹ 10 each. During the year the Company has neither issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2023, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

#### **DEBENTURES**

During the year the Company has partially redeemed ₹ 30 Crores out of the principal amount of ₹ 150 Crores of 1500 unlisted, Secured, Redeemable, Non-Convertible Debentures Series-VIII of ₹ 10,00,000/- each on 8th December, 2022 and accordingly, the face value of the said Non-Convertible Debentures has been reduced from ₹ 10,00,000/- to ₹ 8,00,000/- per Debenture.

#### **FINANCIAL STATEMENTS**

The Company has prepared its financial statements as per IND AS requirements for the financial year 2022-2023. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect, in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2023.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company are prepared in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by following applicable IND AS issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

#### **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments which could affect the financial position of the Company have occurred between the end of the financial year 2022-2023 and date of this Report.

#### **KEY FINANCIAL RATIOS**

The key financial ratios of the Company showing financial performance for the financial year ended 31st March, 2023, are given herein below:

Sl. No.	Financial Ratios	2022-2023	2021-2022
1.	Debtors Turnover	23.92	22.64
2.	Inventory Turnover	7.91	7.93
3.	Interest Coverage Ratio *	3.20	5.47
4.	Current Ratio	1.34	1.59
5.	Debt Equity Ratio	0.23	0.25
6.	Operating Profit Margin (%) **	4.95 %	10.28 %
7.	Net Profit Margin (%) #	0.85%	4.28%
8.	Return on Net Worth (%) ##	1.08%	4.77%

\* Interest Coverage Ratio was lower for the year ended 31st March, 2023 due to lower EBIDTA as compared to last year.

\*\* Operating Profit Margin was lower for the year ended 31st March, 2023 due to lower profitability.

# Net Profit Margin was lower for the year ended 31st March, 2023 due to lower profitability.

## Return on Net Worth was lower for the year ended 31st March, 2023 due to lower profitability.

#### **CHANGE IN NATURE OF BUSINESS**

There has been no change in the nature of business of the Company during the financial year 2022-2023.

#### **CEMENT DIVISION**

##### **(a) CEMENT INDUSTRY OVERVIEW:**

India is the second largest cement producer in the world with installed capacity of over 600 Million Tons (MT) accounting for around 7% of the global capacity. Demand for cement is mainly driven by housing sector which is estimated to account for nearly 65% of the total demand. Infrastructure, Industrial and Commercial Construction are estimated to account for the remaining share of demand at 20% and 15%, respectively.

During the year 2022-2023, cement demand is estimated to have grown by 9% driven by demand from housing sector, infrastructure projects as well as rural demand. The year witnessed unprecedented increase in fuel prices driven by geo political events.

While the Industry took price hikes, it was not able to fully offset the sharp rise in input costs drivers. After peaking in the first quarter of 2022-2023, the international fuel prices have been correcting, providing relief to the industry players in the latter half of financial year 2022-2023.

(b) **REVIEW OF OPERATIONS AND PERFORMANCE:**

After sluggish performance till the end of December 2022, the Company staged a turnaround in the March quarter with the highest ever quarterly consolidated sales of 4.44 million tons, up 4.5% over the previous year. This represents a jump of 19% sequentially, which accompanied by gains in realisation and profitability, points at improving market conditions.

To optimise cost, the Company is increasingly ramping up consumption of renewable power and extraction of coal from the Sial Ghogri captive coal mine (Coal mine of RCCPL Private Limited, material subsidiary of the Company).

For the quarter ended March 2023, renewable power accounted for 25% of the Company's total power consumption, which is among the best in the industry. For the full year, renewables accounted for 21% of total power consumption.

In FY 2022-2023, production of coal at Sial Ghogri rose 71% over the previous year to 3,51,565 tons, which is close to the maximum the Company can extract from the mine in a year with its current mining plan.

Alongside, the Company is scaling up use of Alternative Fuel and Resources (AFR), for which investments are being made to equip kilns to use industrial and municipal waste as fuel.

**Production of the Company (Standalone):**

The details of production of clinker and cement of the Company are as follows:-

Particulars	2022-2023 (Lakh Tons)	2021-2022 (Lakh Tons)	Change %
Clinker production	56.80	53.40	6.36
Cement production	91.52	83.22	9.97

**Production of RCCPL Private Limited (RCCPL), wholly owned material subsidiary of the Company:**

The details of production of clinker and cement of RCCPL are as follows:-

Particulars	2022-2023 (Lakh Tons)	2021-2022 (Lakh Tons)	Change %
Clinker production	44.00	35.03	25.61
Cement production	68.60	60.02	14.30

**Sales:**

During the year the Company has registered an increase of 8.64% in cement sales on standalone basis and 10.62% on consolidated basis. In absolute terms, the sale of cement on standalone basis has increased to 90.43 lakh tons from 83.24 lakh tons in the previous year.

RCCPL has sold 67.97 lakh tons of cement during financial year 2022-2023 compared with 59.88 lakh tons in the previous year.

**Power Plant:**

The details of power generated at various plants of the Company are as under:

Particulars	2022-2023 (Lakh Units)	2021-2022 (Lakh Units)	Change %
Thermal Power Plant	711.40	2747.66	-74.11
WHRS	1183.73	1121.69	5.53
Solar Power	113.68	100.18	13.47

Owing to shortage of domestic coal and its significant prices, the cost of captive power generation had become uneconomical during the year. Accordingly, the Company decided to source most of its power requirements from the grid and reduce its own generation.

**Cost and Profitability:**

The Company's cost of production in FY 2022-2023, excluding finance cost, went up by almost 15%, largely on account of the jump in fuel costs. The cost of power and fuel, which accounts for around 30% of total production cost, went up by 46% over the previous year, impacting the Company's profitability. Things had started to turn around in the March quarter. Sequentially, fuel and power costs came down by 9% in the March quarter, and going forward, fuel prices is expected to soften further.

The Company's profitability on consolidated basis was also impacted by the start of commercial operations at Mukutban, unit of RCCPL, which is being scaled up. Most importantly, despite unfavourable market conditions in Maharashtra, the unit has turned cash-flow positive at the end of March.

For FY 2022-2023, the Company registered a consolidated EBIDTA of ₹ 885.06 crores and a net profit of ₹ 40.50 crores, down sharply from the previous year for reasons cited above.

**Marketing Initiatives:**

In FY 2022-2023, the Company achieved a sales growth by volume of 10.60% over the previous year. Dispatches from the new production unit of its material subsidiary at Mukutban started in the first quarter and expanded the Company's reach into untapped markets of Maharashtra and adjoining areas.

While scaling up sales in all key markets, the Company managed to maintain the share of premium cement in trade sales by volume at 51% for the full year, thanks largely to a spurt in sales of premium cement in the fourth quarter. For the full year, sales of blended cement grew around 10% over the previous year to 14.12 million tons. Share of high yielding blended cement within total sales was maintained at 90% for the full year.

Sales of premium cement for the full year stood at 6.15 million tons, which was the highest ever, up 8% over the previous year. The Company has established a strong foothold in the super premium category in core markets of Uttar Pradesh through the super-premium brand Rakshak. The Company commands around 15% share of the super-premium market.

The Company has been selected to supply construction material to the prestigious Bullet Train project between Mumbai and Ahmedabad.

The Company has started to sell ready-mix concrete in core markets of Lucknow to position itself as a complete building materials solution-provider. This, going forward, is expected to create new business opportunities as well as help retain existing customers.

The Company regularly engages with its channel partners and influencers. In FY 2022-2023, the MP Birla Group sponsored 'Asian Scenario in Infrastructure Development' under Indian Concrete Institute, Nagpur Chapter, which was attended by more than 400 engineers and government officials. Additionally, the Company regularly conducts meetings and training programs for masons, engineers as well as other engagement activities for independent home builders. In FY 2022-2023, the Company conducted plant visits for engineers across states to demonstrate its production capabilities and quality control protocols. These programs help in developing trust and loyalty towards MP Birla Cement brands and create long term bonding with stakeholders.

The Company started MP Birla Akanksha, a loyalty program for engineers and architects as well as a dealer app (Humsafar) for ease of channel partners.

In logistics, the Company has taken decisive measures for efficient and cost-effective movement. Track & Trace through implementation of Integrated Logistics Management System (ILMS) with help of Control Tower, GPS tracking and Electronic Proof of Delivery (E-PoD) provides end-to-end visibility and contribute in improvement of truck turnaround time.

The Company has implemented e-auction at all its plants for transportation to create a competitive environment among vendors. The enhanced support of ERP system provides real time data for maximization of efficiency.

In line with increasing focus on the non-trade segment, the Company has shored up its share of non-trade sales and continues to explore further opportunities in rural areas, infrastructure and government projects. Projects such as Bharatmala, Pradhan Mantri Awas Yojana and Urban Infra remain the key drivers in this segment.

#### **Digital Initiatives:**

Over the year, the Company has made significant strides in its journey to drive Digital Transformation. It has successfully leveraged leading-edge technologies to drive change across various key business functions and workflows. Going forward, empowered by the vision of 4Vs, put forward by the Management, the Company looks forward to:

1. Pivoting and Realigning the VISION with which these initiatives were designed;
2. Bringing renewed focus on ensuring that the envisaged Business VALUE is achieved;
3. Providing the necessary push required to ramp up the VELOCITY of organization-wide adoption;
4. Ensuring necessary on-ground VISIBILITY across key processes, parameters and result areas, for fostering speed and agility in decision-making.

Some of the key digitalisation initiatives and their business impacts are summarized below:

- **Enterprise-Wide:**

**Implementation of Project Milan** - Merger of two disparate SAP instances of Birla Corporation Limited and RCCPL Private Limited, material subsidiary has now stabilized and helps centralise, manage overall Operations and get real-time visibility across all its plants and organisational units in one single location.

- **Sales & Marketing:**

Completion of Rollout of **Customer Relationship Management** helps to provide 360 degree view of the customers at fingertips. **Dealer Management App** provides the team and dealers, real-time access to details related to the Product, Orders, Sales, Invoices, Payments, Credit etc. **Loyalty Management App** has increased engagement and business by providing hassle-free management of loyalty incentives. **Customer Onboarding Portal** now enables digital on-boarding of Dealers while **Chatbot and WhatsApp Customer Services** ensure timely and personalized support thereby improving customer engagement.

- **Logistics & Transportation:**

**E-bidding** platform at key units now provide with a dependable mechanism for efficient price discovery across

outbound dispatches resulting in significant savings. Successful Rollout of In-Plant automation as part of **Integrated Logistics Management System (ILMS)** at selected Integrated Unit has strengthened belief in the power of convergence. The Company's ILMS platform is one of the first such implementation in the industry, where disparate leading-edge technologies like the **Internet, Mobile, RFID, IOT, GIS, ERP (SAP), Control tower**, integrate, communicate and empower the business workflows. Base Models generated and validated in the **Network Optimisation Platform** helps the Company in its efforts to monitor and optimize its distribution network.

- **Operations & Maintenance:**

**Performance KPI Dashboards, Top Management MIS, Maintenance Process & Quality Control Process improvisations** have all helped strengthen Company's visibility across organisation-wide O&M processes by providing a single, reliable, centralised view of key operational and financial parameters.

- **Mines:**

**GPS based tracking of Mining Equipment** now provides accurate and auditable trip and actual lead distance measurements for billing and payments. Regular **Drone Surveys** at all Mines now provides the Company with the ability to easily plan and acquire periodic, real-time & accurate geospatial data for creating a verifiable and reliable Digital Block model of the mines. **Centralised Mines Management System** has been recently deployed at one of the mines for digitalizing mining operations management.

- **Finance & Accounts:**

**Implementation of 194R regulation, Automated Vendor Payment, Automatic Bank Reconciliation Payment and Collection Bank, Treasury Module-Letter of Credit and Bank Guarantee, Stock Transfer, Order Invoice clearing and Business Planning and Consolidation (BPC) modules** now help the Company in optimizing and ensuring efficient financial controls, including Planning, Budgeting and Forecasting. They provide the Company with the ability to easily adjust plans and forecasts, speed up budget and closing cycles and ensure compliance with financial reporting standards.

- **Procurement:**

**Ariba E-Auction Platform Roll-out** now helps the Company streamline its centralized procurement workflow enabling better price discovery in procurements. **Material Master Management and Vendor Invoice Management (VIM) modules** help efficiently digitalise invoice processing and payments.

- **Legal & Compliance:**

Implementation of a comprehensive **Legal Compliance Management solution across key business locations** now helps to provide efficient monitoring and management of legal and regulatory compliances and enables Centralised visibility and tracking of compliances.

Digital transformation is an organisational change management initiative and not just a technology implementation project, one that requires tremendous amount of commitment and patience, as well as time and energy. The Company remains fully committed and invested in these digitalisation initiatives going forward, and aspires to empower and enable the organisation to be future-ready and adequately equipped to handle the changing contours of business and the socio-environmental landscape.

### **Mining Operations at Chanderia:**

The Mining Operations (through blasting) at the Chanderia plant had been suspended since August, 2011 owing to the Order of Jodhpur High Court (Rajasthan), which was challenged by the Company before the Hon'ble Supreme Court. As a partial relief, the Supreme Court had allowed mining operations beyond two kms from the Chittorgarh Fort by using heavy earth moving machinery. The Hon'ble Supreme Court had further directed the Central Building Research Institute (CBRI) to submit a report after comprehensive study of all relevant aspects and facets relating to full-scale mining operations and its impact, if any, on the Chittorgarh Fort. The report of CBRI has concluded that vibrations and air pressures induced by the mine of Birla Cement Works and adjoining mines are well within safe limits as per national and international standards and there is no damage to the Fort due to the mining operations. The Company has filed an Interim Application seeking Interim Relief for blasting at the existing working pit. The matter is in the final stage of hearing.

- (c) **OUTLOOK:**

Indians economy is widely expected to grow between 6% to 7% during the financial year 2023-2024.

Budget 2023 has focused on infrastructure capex to drive the economy. While the overall capital expenditure outlay has increased by 33% to ₹ 10 lakh crores, road sector allocation has been increased by 25% to ₹ 2.6 lakh crores and railways by 51% to ₹ 2.4 lakh crores. Further, Pradhan Mantri Awas Yojana (PMAY)-Gramin saw the highest cost allocation of ₹ 54.5 thousand crores since the launch of the scheme. These together with revival of demand in the real estate sector are expected to aid healthy demand growth in financial year 2023-2024 which is estimated to grow by 7% to 9% as per a leading research agency. Fuel prices have continued to correct. By the end of March, 2023 the international pet coke prices had

corrected more than 40% from their peak prices in US Dollar terms. This together with higher volume is expected to improve the profitability margin for the industry in financial year 2023-2024.

## JUTE DIVISION

### (a) JUTE INDUSTRY OVERVIEW:

Jute Industry is mostly concentrated in the eastern part of India, particularly West Bengal. It plays a vital role in the economy of the state. Jute Industry supports over 3,00,000 workers and over 4 million farmer families. Jute Industry is principally dependent on the orders from the government food grains procuring agencies and over the previous few years, dependence on government orders is increasing and now accounts for about 70% of installed capacity.

In the long run demand for jute product is expected to increase due to increased awareness and acceptability of environmentally sustainable products.

With increasing concern and awareness about the adverse effect of synthetic packaging material to the environment, the demand of jute goods is expected to revive in the near future. Jute products being environment friendly and biodegradable have an edge over other packing material. Increase in use of jute shopping bag, floor covering, jute geotextile products provide opportunity to boost demand of jute goods.

Jute Industry faces daunting task of competing with subsidized duty-free imports from Bangladesh. Industry is not only losing market share in overseas markets to Bangladesh, but Bangladesh is also extensively pushing jute goods into India.

Jute manufacturing is a labour-intensive process and requires huge labour force. Jute industry has traditionally been dependent on migrant labours from nearby states. Now, migration from other states has virtually dried due to availability of local jobs. Further, local people are getting alternative employment in physically less demanding jobs such as embroidery, masonry etc. Difficulty in getting worker for running the mills is resulting in lower capacity utilization, and causing further increase in cost of production per unit.

To overcome all these problems of a) loss of traditional market, b) lower availability of workers, c) subsidized import from Bangladesh, d) ever increasing raw jute prices, the Company has taken up large scale modernization of mills resulting in lower requirement of manpower thereby reducing dependence on manpower availability, reducing cost and diversifying into non-traditional product categories.

### (b) PERFORMANCE:

The Company's Jute Division has reported EBIDTA for the year at ₹ 3716.98 lakh against corresponding previous year at ₹ 4600.74 lakh. Export for the year has increased by 8.30% from ₹ 7436.23 lakh in the previous year to ₹ 8053.64 lakh.

Pursuing a new line of business of manufacturing and exporting of jute shopping bags, the division has reported sale of ₹ 2677 lakh in its full year of operation. It is expected that this new line of business will grow substantially.

### Production & Dispatch

PARTICULARS	2022-2023	2021-2022	CHANGE %
Production of Jute Goods (MT)	34908	30792	13.37
Dispatches of Jute Goods (MT)			
a) Domestic	30138	26206	15.00
b) Export	3916	3620	8.18

### Sales

PARTICULARS	2022-2023 (₹ in Lakh)	2021-2022 (₹ in Lakh)
<b>Net Sales</b>		
a) Domestic	35189.84	32849.40
b) Export	8053.64	7436.23
FOB Value	7793.47	7012.52

### (c) COST AND PROFITABILITY:

Input cost is increasing day by day which is affecting competitiveness. Out of total cost of jute products, raw jute accounts for around 60% and its price fluctuates from year to year. Further, jute industry is labour intensive with high wages cost per MT of production.

### (d) OUTLOOK:

Due to scant monsoon till now in jute growing area, sowing of jute is poor till now and if the situation persists the jute crop yield may be affected. This may result in skyrocketing of raw jute prices.

The increase in cost of manufacturing jute bags has widened the gap between the prices of jute and synthetic bags. If this trend continues, there is strong concern that packing of many more commodities will shift to synthetic material. Loss of traditional market of jute to synthetic fabric is likely to cause a major problem of insufficient demand for the industry.

Looking to improving its performance, the Jute Division is taking various measures such as reducing dependence on Government orders, increasing presence in food-grade jute bags in various countries, developing new value-added products and designs, including new fabric for shopping bags, curtains, upholstery etc.

The Division is confident that the above efforts coupled with investments being made currently and in the past will help it to mitigate the structural risks facing the industry.

### VINDHYACHAL STEEL FOUNDRY

Vindhyachal Steel Foundry produces iron & steel castings primarily for internal consumption. The total production of castings during the year has been 388 tons as against 408 tons in the previous year. The total sale of castings during the year was 484 tons (including 321 tons inter departmental transfer) as against 510 tons (including 480 tons inter departmental transfer) in the previous year.

### ALLOCATION OF COAL MINE

During the year, the Government of India, Ministry of Coal had approved allocation of 1 (one) Coal Mine to the Company as under:

Name of Coal Mine	State	Geological Reserves (MT)	Grade	PRC (MTPA)	Final Price
Marki Barka	Madhya Pradesh	72.05	G8	1.00	6% of the revenue share

Once operational, the above Coal Mine is expected to provide fuel security and cost optimization to the Company.

### CAPITAL EXPENDITURE

The details of various Capital Expenditure and Projects of the Company and its Material Subsidiary during the financial year 2022-2023 are as follows:

#### Birla Corporation Limited

##### Project Completed:

- Installation of new 1 MW Solar Power Plant at Chanderia unit.
- Installation of additional 5 MW Solar Power Plant at Satna unit.

#### RCCPL Private Limited (Wholly Owned Material Subsidiary Company)

##### Projects Completed:

##### Mukutban Greenfield Cement Plant, Maharashtra:

Commissioning of a 3.90 million ton Greenfield Integrated Cement Plant at Mukutban (Maharashtra) with 40 MW Captive Power Plant and 10.60 MW Waste Heat Recovery System (WHRS). The unit commenced its cement production on 30th April, 2022. WHRS got commissioned in March, 2023.

Mukutban integrated unit is now fully functional and ramping up its production.

##### Maihar Cement Works, Madhya Pradesh:

- Installation of 1000 MT Steel Silo for Water Repellent cement (Rakshak).
- Installation of new packing machine and truck loading machine for more efficient cement dispatch.
- Installation of AFR feeding system.
- Commissioning of construction chemical plant.

##### Kundanganj Cement Works, Uttar Pradesh:

- Installation of 2.0 MW captive Solar Power Plant.

### ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and Rules framed thereunder, the draft Annual Return as on 31st March, 2023 is available on the Company's website at <https://www.birlacorporation.com/annual-return.html>.

### COMPOSITION, NUMBER AND DATES OF MEETINGS OF THE BOARD AND COMMITTEES

The details of the composition, number and dates of meetings of the Board and Committees held during the financial year 2022-2023 are provided in the Report on Corporate Governance forming part of this Annual Report. The number of meetings attended by each Director during the financial year 2022-2023 are also provided in the Report on Corporate Governance. The Independent Directors of the Company held a separate meeting during the financial year 2022-2023 details of which are also provided in the Report on Corporate Governance.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2022-2023 and of the profit for the year ended 31st March, 2023;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts for the year ended 31st March, 2023, have been prepared on a going concern basis;
- proper internal financial controls were in place and that the financial controls are adequate and are operating effectively;
- proper systems to ensure compliance with the provisions of all applicable laws were in place and are adequate and operating effectively.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees, investments and acquisition covered under the provisions of Section 186 of the Companies Act, 2013, are given in the Notes forming part of the Standalone Financial Statements.

## CREDIT RATING

CRISIL has reaffirmed its ratings for Commercial Paper (CP) to the extent of ₹ 300 crores as "A1+".

ICRA has also re-affirmed its rating of "AA" with stable outlook for Long Term Non-Convertible Debentures of the Company of ₹ 250 crores.

Further, CARE has reaffirmed its rating on Long Term Facilities as "CARE AA" (Outlook Stable) and "CARE A1+" (Outlook Stable) for the Company's Short Term/Long Term Bank facilities aggregating to ₹ 1507.48 crores. The rating Committee of CARE has reaffirmed as "CARE AA" (Outlook Stable) for the outstanding Non-Convertible Debentures of ₹ 250 crores.

India Ratings and Research has reaffirmed IND AA/Stable ratings for Non-Convertible Debentures (unlisted) amounting to ₹ 150 crores. During the financial year 2022-2023, ₹ 30 crores was repaid towards 20% of Non-Convertible Debentures as per the repayment schedule.

India Ratings and Research has also reaffirmed IND AA/Stable ratings for Non-Convertible Debentures issued at floating rate coupon (listed) amounting to ₹ 150 crores.

## FINANCE

The Company efficiently manages its surplus funds by investing in debt securities, fixed deposits with banks and companies with high creditworthiness. Funds are also invested in the debt schemes of mutual funds considering safety, liquidity and returns. It monitors the borrowings on a continuous basis for opportunities to refinance or prepay its loans in order to reduce borrowing costs and foreign exchange exposure.

## CORPORATE GOVERNANCE

The Board of Directors reaffirm their continued commitment to good Corporate Governance Practices as set out by the Securities and Exchange Board of India ('SEBI'). The Company has complied with the Corporate Governance Code as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Report on Corporate Governance, along with certificate from the auditors confirming the compliance of conditions of Corporate Governance, is annexed and forms part of the Annual Report.

## RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year 2022-2023 were on an arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. The transactions are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, during the year under review, there were no materially significant related party transactions which may have a potential conflict with the interest of the Company at large. Accordingly, the

disclosure required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted, along with a statement giving details of all related party transactions, are placed before the Audit Committee for its review on quarterly basis.

The Company has adopted Policy on Related Party Transactions as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and the same is uploaded on the Company's website and may be accessed at the link <https://www.birlacorporation.com/investors/policies/policy-on-related-party-transactions-BCL.pdf>.

The details of the transactions with related parties pursuant to IND AS during financial year 2022-2023 are provided in the accompanying financial statements.

Transactions with person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company have been disclosed in the accompanying financial statements.

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

Pursuant to the provisions of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in "Annexure - A", which is annexed hereto and forms part of the Directors' Report.

## RISK MANAGEMENT

The Company's board and management are fully committed to maintain sound risk management systems to safeguard Company and shareholders' interests. The board and senior management of the Company set the tone at the top for proactive and transparent identification and management of risks.

The Board of Directors has formulated a Risk Management Committee ('RMC') to frame, implement and monitor the Risk Management Plan and Policy ('Policy') of the Company and to ensure the adequacy of the risk management systems. The said Policy is also reviewed by the Audit Committee and approved by the Board from time to time. Robust mechanisms and systems have been put in place to identify and manage the inherent risks in business and strategy, and to monitor the Company's exposure to key risks that could impact the overall strategy and sustainability of the business. The purpose is to identify risks in time which have the potential effect on the Company's business or corporate standing or growth and manage them by calibrated action.



The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as raw materials and fuel, quality, market, safety, litigation, logistics, community relations, intellectual property, project execution, business continuity plan, financial, human resources, fraud, environment, information technology and statutory compliance.

## AWARDS & RECOGNITIONS

The details of various awards and recognitions received by the Company during the financial year 2022-2023 are as follows:

- ❖ Satna Unit received the following award/recognition:
  - "5S-Par Excellence award" for 5S a Continual Journey for Business Excellence.
  - Sagmania Limestone Mine of Satna Cement Works has received the prestigious "5 Star Rating Award in the Cement Sector", for Scientific, Efficient and Sustainable Mining practices.
  - CII has awarded "SR EHS Excellence Silver Award 2023" for best practices in Environment, Health & Safety.
- ❖ Chanderia Unit received the following award/recognition:
  - "Platinum Award" at "Apex India Green Leaf Award 2022 for Overall Sustainable Excellence" in Cement Business by Apex India Foundation.
  - CII-ITC Sustainability Awards 2022 "Commendation for Significant Achievement in Corporate Excellence" (Manufacturing Sector) by the Confederation of Indian Industry.
  - Greentech International Environment, Health & Safety Award – 2023 by the Greentech Foundation, New Delhi.
  - "Gold Award" under "Apex India CSR Excellence Award 2021" in Cement Sector by Apex India Foundation.

## OCCUPATIONAL HEALTH & SAFETY

The Company recognizes that excellence in Health, Safety and Environment is an ongoing journey and remains committed to implementing best practices, complying with the national and international standards.

The Health, Safety & Well-being of the employees, subcontractors and all related personnel is paramount. The Company believes that it is critical to protect the health and safety of everyone involved in its operations and to carry out operations in environmentally sustainable manner.

To strengthen the safety culture, the Company ensures that all hazards and risks are identified, and control measures implemented to reduce risks to as low as reasonably practicable, investigate all incidents and implement corrective & preventive actions. As a part of the continuous effort to build a safe workplace, the Company has

engaged a reputed safety consultancy organization to roll out all comprehensive Safety Management System with an aim of involving each and every employee of the Company whether on permanent roll or contract manpower. Structural integrity, design safety and process safety are well established in the organization.

The Company is giving importance to technological advancement, hence AI enabled cameras are placed to monitor PPEs & Housekeeping compliances at high rise structures and QR code based safety inspection of equipment is done. Reporting of observations, incidents and action tracking are being done through online platform.

Separate capex is earmarked for safety and health related assets every year and all necessary safety related equipment and disaster management infrastructure is being put in place.

To get good results in the accident prevention, the Company has included safety programs like HAZOP study, structured approach and implementation of Risk assessment & control measures, horizontal deployment of learnings from accidents of other industry/plant, Emergency planning & preparedness, incident investigation and analysis of all major and fatal accidents, recommendations/ remedial measures to prevent similar accidents. Near-miss situation/incident with no injury is accorded serious consideration for planning of preventive measures.

To inspire and energize the employees to change their behavior for better performance and safety attitude, the Company provides various training programmes related to Behavior based safety, Job specific trainings and general awareness safety trainings. Safety leadership / visible felt leadership workshops are being conducted for Corporate Heads & Unit Heads.

The Company complies with all statutory provisions as required under the Factories Act. Competent persons carry out compulsory testing/examination of lifting tools, pressure vessels, cranes etc. as per statutory requirement. Safety poster, slogans, Work SOP, Do's & Don'ts are widely displayed inside the Company's factories-at shop floors, canteen and plant gates to continuously remind everyone about safe working practices and environment so as to inculcate a culture of safety amongst the workers. National Safety week, Road Safety Week and Fire Service Day celebrations are organized every year with a view to create and motivate safety consciousness amongst the employees and workmen.

## CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) Policy for the development of programmes and projects for the benefits of the society and the same has been approved by the CSR Committee and the Board of Directors of the Company. The CSR Policy of the Company provides a road map for its CSR activities. The purpose of CSR policy is to devise an appropriate strategy and focus its CSR initiatives and lay down the broad principles on the basis of which the Company will fulfil its CSR objectives. As per the said Policy, the

Company continues the strategy of discharging parts of its CSR responsibilities related to social services through various trusts/societies, in addition to its own initiatives and donations made to other non-government organisations. The CSR Policy has been uploaded on the Company's website and may be accessed at the link <http://www.birlacorporation.com/investors/policies/csr-policy.pdf>.

CSR activities, projects and programs undertaken by the Company are in accordance with Section 135 of the Companies Act, 2013 and the rules made thereunder. The Report on CSR activities and initiatives taken during the year as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in "Annexure-B" which is annexed hereto and forms part of the Directors' Report.

The Company is actively associated with various social and philanthropic activities undertaken on its own as well as by different Trusts and Societies. As a constructive partner in the communities in which it operates, the Company has been taking concrete action to realize its social responsibility objective. The Company has been playing a pro-active role in the socio economic growth and has contributed to all spheres ranging from health, education, women empowerment, rural infrastructure development, vocational training etc. In the past several decades, the Company has supported innumerable social initiatives in India, touching the lives of lakhs of people positively by supporting environmental and health care projects and social, cultural and educational programs.

#### **The CSR activities undertaken include:**

##### **Health Care activities:**

The Company provides active assistance, finance as well as managerial support, to various hospitals set up by trusts and societies.

The Company has provided financial as well as administrative support in setting up a hospital in Chittorgarh namely MP Birla Hospital and Research Centre, where the Company has two cement plants. This is a State-of-the-Art multi-specialty hospital, which has numerous diagnostic and treatment facilities.

The hospital is also the first hospital of the district with accreditation from NABH which is a seal of approval for quality care and service for any hospital. Currently, in the "In-Patient Department" approximately 135 beds are operational and best medical services are provided to patients at a nominal cost. It is the only private hospital in Chittorgarh district having 128 slice CT Scan which is well-recognized diagnostic tool to measure the level of infection.

The healthcare programme aims to contribute in SDGs (Sustainable Development Goals) to reduce the IMR (Infant Mortality Rate) & MMR (Maternal Mortality Rate) in community. The Company focuses on strengthening the village's Anganwadi centers and develop it as a Model. Different extension activities like capacity building of mothers, staffs, family counselling are organized in centers. The Company also promotes adolescent health by educating the girls in

villages. Kitchen garden and nutritional food are promoted in villages. Regular health check-up, weight check-up, immunization programmes are organized in villages. Formation and mobilization of community based organization, strengthening the village health committee are carried out in these programmes.

The Company has also provided various health care facilities like free medical check-up, free medicines and treatments for needy people. It has organized medical check-up camps, free eye camps, specialty health camps and done cataract surgeries of patients in rural areas.

##### **Educational Initiatives:**

The educational programme aims to enhance the quality of education by strengthening the school infrastructure, organizing capacity building of teachers & co-curricular activities for students etc. Class room refurbishment, furniture support, setting up lab & libraries are some of the infrastructure activities which are undertaken. For the safety and better hygiene of the students, toilets are renovated/constructed for students. Drinking water facilities are set up in schools. The Company also promotes technology in pedagogy for better learning among students by installing smart board in schools. Teachers training programme, parent teachers meeting and support Teachers Learning Materials (TLM) are organised in schools. Different co-curricular activities like exhibition, celebration of days, sports & yoga activities are organised for students in schools. Scholarships are provided to the meritorious underprivileged children for their higher education. Supplementary learning centers are running in villages to enhance the quality of education. The Company's Durgapur unit is running a free primary school for the under privileged students. Under employee volunteering programme, safety awareness sessions are organized in schools.

##### **Livelihood & Women Empowerment:**

The Company aims to enhance and ensure the income of villagers by organizing different livelihood interventions in villages. Livelihood mainly focused on farm & non-farm based livelihood activities. In the farm based intervention, the major initiative is to reduce the input cost of farmers and increase the margin of income. It promotes different improved agriculture practices like, soil health, selection and treatment of seeds, application of fertilizers and pesticides, usage of mechanized farming, promoting organic practices and formation of farmers group in villages. Crop diversification are organised to enhance the income of the farmers. Horticulture plantation are promoted in the uncultivated land for additional income of farmers. Improved Animal husbandry practices, like breed development, vaccination, deworming, green fodder, construction of mangers are promoted in villages. In Satna, farmers benefitted from breed development programme. Watershed activities are organised in villages. It helps in conserve the top soil, ground water recharge and irrigation of more land.

In the non-farm based livelihood programme, Self Help Group (SHG) development, group based enterprise activities are promoted in

villages. The Company supports the distress families to start their own micro enterprise by providing start up support, family counselling and market exposure. Regular follow up are done with these enterprise activities.

#### **Vocational Training Programme:**

Skill based training programmes are organised to upgrade the skill of the unemployed youth and make them employable in villages. Mobilization, training, counselling and placement are the major activities of vocational training programme. For girls, bed side patients attendance, beautician, sewing & stitching training are organized in villages. For boys, mobile repairing, assistant electrician, civil supervisor courses are provided in villages. The Company is also running coaching classes for the students to join different government services. Both class room and physical training are organized for students. Start up support and after training placement are conducted for students.

#### **Rural Infrastructure development initiatives:**

In this initiative, the Company focuses on strengthening the drinking water facilities, connectivity of villages, drainage system and community infrastructure in communities. Digging of new bore well, de silting the water bodies, laying water pipe line, repairing of drain, building of all-weather road and refurbishment of community infrastructure are organized in the plant's neighborhood villages under this programme.

The Company promotes non-conventional energy in communities. Solar panel are installed in villages to light up the street light in villages. Bio gas units are set up in villages for clean energy. Plantation activities in the barren land field bund are organised. In Watershed activities, the Company conserve the top soil and maintain the moisture on it. It also helps in ground water recharge and support the farmers in more irrigation.

### **ENVIRONMENTAL SUSTAINABILITY**

The Company is well aware of its responsibility towards sustainable development and environment. Various initiatives are taken for addressing climate change challenges particularly CO<sub>2</sub> reduction and pollution prevention. Extensive plantation has been done in the factories and mining areas. The Company is focused towards conservation of water by putting special efforts for rain water harvesting, conservation of water resources (like using Air Cooled Condenser instead of water cooled in Captive Power Plants and reusing treated waste water for dust suppression and plantation in sustainable way.

Emissions from the Stacks are well within regulatory limits, monitored through online continuous emission monitoring systems. Concerns for environment and sustainable development are integral to the Company's business decisions. SO<sub>2</sub> & NO<sub>x</sub> gas analyzer in kiln stack has been installed for close monitoring. To control NO<sub>x</sub>, SNCR system has been installed in both Satna and Chanderia Plants. Measures are also taken for conservation of

limestone reserves by optimizing (like blending high grade with low grade limestone) limestone consumption. Water tankers, pumps, rain guns and water spray system have been provided for pressurized spraying to control dust pollution around mining areas and connecting roads. Proper utilization of waste water is being done by using treated water from Water Treatment Plant (WTP) for dust suppression and plantation. The Company continuously strives for reduction of carbon footprint and Green House Gases emission by using best energy efficient & environment friendly technologies to improve power & thermal efficiency of the plants.

For conservation of water, water harvesting is done in mined out areas. Same water is used for plant and domestic usage. Also roof water harvesting and water recharge system is installed within the plant to reach the goal of Water Positive.

The Company has Alternative Fuel and Raw Material Feeding System (AFRS) for higher use of alternative fuel on continuous basis at its clinker manufacturing units, thus reducing consumption of natural resource like Coal. This move ensures availability of alternative fuel throughout the year and has resulted in reduction of fuel costs and also helped in reducing the carbon footprint. Company is extending its AFR facility to consume any of the available hazardous waste from other industry. Municipal waste whenever made available is also being co-processed in the Kiln. Company has invested to install set up for handling and feeding of alternative fuel in various units.

The Waste Heat Recovery System at Satna and Chanderia plants of the Company uses the hot gases coming out of the pre-heater and clinker cooler to generate substantial power, thereby reducing Green House Gases (GHG) emissions. Grinding aid is introduced in all the units to improve consumption of fly ash and slag. Further, to protect the environment, the Company has consumed substantial quantity of fly ash during the financial year 2022-2023 at various cement plants. The Company has own slag granulation unit at Durgapur to consume optimum quantity of slag in ecofriendly manner. This has resulted in reduction of clinker usage, which in turn reduced GHG emissions at plants, without compromising on the quality and the strength of cement. Company is exploring use of Phospho Gypsum/Chemical Gypsum which leads to conservation of mineral Gypsum and environment.

With a view to promote renewable energy and also to produce energy through cleaner and greener sources, the Company has installed Solar Power Plants at its Integrated Cement Plants. Also, it is sourcing solar power for Raebareli Plant in group captive mode in long term PPA.

Green energy initiative has also been taken in RCCPL Private Limited, wholly owned material subsidiary of the Company. Waste Heat Recovery System and Solar Power Plant has been installed in Maihar, Mukutban and Kundanganj Unit in own captive mode. Additional Solar Power Plant has been installed in group captive mode for Kundanganj Unit in long term PPA. Maihar Plant is sourcing Fly Ash through BTAP rail wagon which is most sustainable mode of transportation.

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

In accordance with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility and Sustainability Report ("BRSR") covering disclosures on Company's performance on ESG (Environment, Social and Governance) parameters for FY 2022-2023 forms an integral part of this Annual Report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL****Retirement by Rotation:**

Shri Dilip Ganesh Karnik (DIN: 06419513), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

**Appointment/Change in designation/Cessation:**

Shri Brij Behari Tandon (DIN: 00740511) has resigned from the position of Non-Executive Independent Director of the Company with effect from 11th May, 2022.

Shri Arvind Pathak (DIN: 00585588) ceased to be the Managing Director & Chief Executive Officer (Key Managerial Personnel) of the Company with effect from the close of business hours on 31st December, 2022 due to resignation.

Shri Sandip Ghose (DIN: 08526143) was appointed as Additional Director and simultaneously the Wholetime Director of the Company for the period from 1st December, 2022 to 31st December, 2022. Further, he was elevated as Managing Director & Chief Executive Officer (Key Managerial Personnel) of the Company for a period of 3 (three) years with effect from 1st January, 2023.

Approval of the members by way of Ordinary Resolutions had been obtained on 14th January, 2023 (vide Postal Ballot Notice dated 5th December, 2022) for appointment of Shri Sandip Ghose (DIN: 08526143) as Wholetime Director of the Company for the period from 1st December, 2022 to 31st December, 2022 and Managing Director & Chief Executive Officer (Key Managerial Personnel) of the Company for a period of 3 years (three) with effect from 1st January, 2023.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March, 2023:

1. Shri Sandip Ghose: Managing Director & Chief Executive Officer.
2. Shri Aditya Saraogi: Chief Financial Officer.
3. Shri Manoj Kumar Mehta: Company Secretary & Legal Head.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Further, declaration has been received from all the Independent Directors confirming compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, regarding the requirement relating to enrollment in the Data Bank maintained with the Indian Institute of Corporate Affairs ('IICA'). In terms of the amended Section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Director(s) of the Company are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

**COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

In terms of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, had formulated a Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, fixed and variable components in the remuneration package, guidelines for remuneration to Executive Directors and Non-Executive Directors, criteria for identification of the Board Members and appointment of Senior Management.

The criteria for identification of the Board Members, including those for determining qualification, positive attributes, independence etc. is summarily given hereunder:

- A Director should possess high level of personal and professional ethics, integrity and values. He/she should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- A Director must be willing to devote sufficient time and energy in carrying out his/her duties and responsibilities effectively. He/she must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- For every appointment of an Independent Director, the Committee shall evaluate the skills, knowledge, expertise and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended for such role shall meet the description.
- In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements. Factors like eligibility criteria, independence, term and tenure of a Director should be

in accordance with the provisions of the Act and the Listing Regulations for the time being in force.

- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieve its objectives in a sustainable manner.

The Nomination and Remuneration policy as approved by the Board is uploaded on the Company's website and may be accessed at the link <https://www.birlacorporation.com/investors/nomination-and-remuneration-policy.pdf>

Neither the Managing Director nor the Wholetime Director of the Company received any remuneration or commission from any of its subsidiaries.

### **ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Nomination and Remuneration Committee pursuant to the powers delegated to it by the Board, has carried out an annual evaluation of the performance of the Board, the Directors individually as well as the evaluation of the functioning of various Committees based on the criteria for performance evaluation forming part of the Performance Evaluation Policy of the Company.

For the purpose of proper evaluation, the Directors of the Company have been divided into 3 (three) categories i.e. Independent Directors; Non-Independent Chairman and Non-Independent Non-Executive Directors; and Executive Directors.

The criteria for evaluation include factors such as engagement, strategic planning, vision and direction for growth and development, team spirit and consensus building, effective leadership, domain knowledge, ensuring best practices in governance, financial management and operations, contributions towards achieving short term and long term goals of the Company and roadmap for achieving them, management qualities, team work abilities, result/achievements, understanding and awareness, leadership qualities, motivation/commitment/diligence, integrity/ethics/values and openness/receptivity.

The Independent Directors of the Company in its separate meeting held during the year reviewed the performance of Non-Independent Directors and Board as a Whole and Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors.

Further, the performance evaluation of Independent Directors of the Company was done by the entire Board, excluding the Independent Director being evaluated.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

As on 31st March, 2023, the Company has 7 (Seven) subsidiary companies namely, RCCPL Private Limited, Lok Cement Limited, Talavadi Cements Limited, Birla Jute Supply Company Limited, Budge Budge Floorcoverings Limited, Birla Cement (Assam) Limited and M.P.

Birla Group Services Private Limited and 2 (Two) step down wholly owned subsidiary companies namely, AAA Resources Private Limited and Utility Infrastructure & Works Private Limited.

2 (Two) subsidiary companies, namely Thiruvaiyaru Industries Limited and Birla Corporation Cement Manufacturing PLC, Ethiopia, are under the process of voluntary winding up. In view of the aforesaid, these subsidiaries have not been considered in preparing the Consolidated Financial Statements.

During the year the performance of RCCPL Private Limited, wholly owned material subsidiary of the Company has also impacted due to higher fuel cost and stabilization of its new plant at Mukutban.

During the year, no Company has become or ceased to be the Company's Subsidiaries, Joint Venture or Associate Company.

The "Policy on 'Material' Subsidiary" is available on the Company's website and may be accessed at the link <https://www.birlacorporation.com/investors/policies/policy-on-material-subsubsidiary.pdf>.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/Joint Ventures in Form AOC-1 forms part of the consolidated financial statement and hence not repeated here for the sake of brevity. Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the Annual Financial Statements of each of the Subsidiaries are available on the Company's website at [www.birlacorporation.com](http://www.birlacorporation.com).

### **DEPOSITS**

During the year the Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal control systems and procedures which are commensurate with its size and nature of business. The objective of these procedures are to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance with statutes, corporate policies and procedures.

Internal Audit is conducted periodically across all locations by Chartered Accountant/ Audit firms who verify and report on the efficiency and effectiveness of internal controls. The adequacy of

internal control systems are reviewed by the Audit Committee of the Board periodically.

#### **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed.

The policies and procedures adopted by the Company ensures orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy in the record-keeping and timely preparation of reliable financial information.

The Internal Auditors continuously monitor the efficacy of Internal Financial Control System with the objective of providing to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management measures with regard to the Internal Financial Control System.

The Audit Committee has satisfied itself on the adequacy and effectiveness of the Internal Financial Control System laid down by the management. The Statutory Auditors in its report have expressed an unmodified opinion on the adequacy and operating effectiveness of the Internal Financial Control System over financial reporting.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, if any. The Policy also provides for the requisite checks, balances and safeguards to ensure no employee is victimized who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The Policy also provides mechanism for reporting of instances of leak or suspected leak of Unpublished Price Sensitive Information in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company.

#### **DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 is given in "Annexure – C" which is annexed hereto and forms part of the Directors' Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement comprising the names of top 10 (ten) employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration exceeding the prescribed limit, forms part of the Directors' Report.

The above Annexure is not being sent along with this Annual Report to the Members of the Company. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office/Corporate Office of the Company. In terms of the provision of Section 136 of the Companies Act, 2013, the aforesaid Annexure is also available for inspection by Members at the Registered Office/ Corporate Office of the Company 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

#### **COMMISSION TO NON-EXECUTIVE DIRECTORS**

The Board of Directors of the Company approved payment of a sum of ₹ 10 Lakhs each as commission to all the Non-Executive Directors of the Company for the financial year 2022-2023. However, Shri Harsh V. Lodha, Non-Executive Chairman of the Company has decided not to accept any commission and has foregone his right for the financial year 2022-2023 also, in view of uncertain economic scenario and unprecedented increase in fuel prices & impact of the same on the profitability of the Company.

#### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Employees are the core strength of the Company. The Company continues to focus on creating the right workplace environment that provides opportunities for employees to improve their performance. Robust and up to date Human Resource (HR) Policies are in place for proper evaluation of performances, which is the key to building future leaders.

HR functions in the organization have witnessed a paradigm shift and evolved to bring together modern day practices with proper use of technology and automation. This had a profound impact on the morale and motivation of the employees who are the prime-movers. The Company has succeeded in fostering a relationship with its employees which will help transform the organization.

There is a well-calibrated mechanism to reward meritocracy. Learning and development initiatives for employees are geared to enable all-round performance, both as individuals and as teams.

There is a continuous effort to improve HR service delivery in order to better serve the customers with simple well executed processes with proper use of technology.

Encouraging cordial working relation and maintaining good industrial relations have been the philosophy and endeavour of the HR Department. Industrial relations remained harmonious at all the

offices and establishments of the Company throughout the year. Statutory compliances related to labour laws have been followed with due emphasis.

Suspension of Operation continues at Soorah Jute Mills, Birlapur and Birla Vinoleum, Birlapur.

#### **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE**

In order to provide women employees with a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a Policy on Prevention of Sexual Harassment of Women at the Workplace. The said Policy has been uploaded on the internal portal of the Company for information of all employees.

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee comprises of three employees and one outside member. One of the Senior female employee of the Company is the Presiding Officer of the said Committee.

No complaint pertaining to sexual harassment of women employees from any of the Company's locations was received during the financial year ended 31st March, 2023 and no cases are pending to be disposed during the financial year ended 31st March, 2023.

#### **AUDITORS & AUDITORS' REPORT**

##### **Statutory Auditors:**

M/s. V. Sankar Aiyar & Co., Chartered Accountants were re-appointed by the members of the Company at the 102nd Annual General Meeting held on 27th September, 2022, as the Statutory Auditors of the Company for the second term of 5 (Five) consecutive years to hold office from the conclusion of the 102nd Annual General Meeting till the conclusion of the 107th Annual General Meeting of the Company to be held in the year 2027.

The Auditors' Report and notes to the financial statements are self-explanatory and therefore do not call for any further comments/explanation.

##### **Cost Records and Cost Auditors:**

The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and accordingly, such accounts and records are made and maintained by the Company.

The Board of Directors based on the recommendation of the Audit Committee has appointed M/s. Shome & Banerjee, (Firm Registration No. 000001), Cost Accountants, as the Cost Auditors of

the Company for the financial year 2023-2024 for auditing the cost records relating to cement, jute goods and steel products manufactured by the Company.

As required under Section 148(3) of the Companies Act, 2013, the remuneration payable to the Cost Auditors, as approved by the Board, is required to be placed before the Members in a general meeting for their ratification and the same forms part of the Notice of the ensuing Annual General Meeting.

M/s. Shome & Banerjee has confirmed that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) and all other applicable provisions of the Companies Act, 2013 and their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

##### **Secretarial Auditors:**

The Board of Directors on the recommendation of the Audit Committee had appointed M/s. Mamta Binani & Associates, Company Secretaries, to conduct secretarial audit of the Company for the financial year 2022-2023. The Secretarial Audit Report for the financial year ended 31st March, 2023 is given in "Annexure - D" which is annexed hereto and forms part of Directors' Report. The Report is self-explanatory and do not call for any comments.

Further, the Board on the recommendation of the Audit Committee has appointed M/s. Mamta Binani & Associates, Company Secretaries, to conduct secretarial audit of the Company for the financial year 2023-2024.

Pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Audit Report submitted by the Secretarial Auditor of RCCPL Private Limited, a material subsidiary of the Company in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given in "Annexure - E" which is annexed hereto and forms part of Directors' Report.

There are no audit qualifications, adverse remarks or disclaimer in the respective reports of the Statutory Auditors and Secretarial Auditors for the year under review.

None of the Auditors of the Company has reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

#### **APPLICATION UNDER THE INSOLVENCY AND BANKRUPTCY CODE**

No application has been made under the Insolvency and Bankruptcy Code, hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

#### **DIFFERENCE IN VALUATION**

There was no instance of one-time settlement with banks or financial institutions and hence the differences in valuation as enumerated under Rule 8 (5) (xii) of Companies (Accounts) Rules, 2014, as amended, do not arise.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the financial year, the Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India, i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

#### **CAUTIONARY STATEMENT**

*Statements in this Report, particularly those which relate to Management Discussion & Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws or regulations. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials and fuels cost & availability, transportation costs, changes in Government regulations and tax structure, economic developments within India*

*and in the countries with which the Company has business contacts and other factors such as litigation and industrial relations.*

#### **APPRECIATION**

The Directors would like to express their sincere appreciation for the assistance and co-operation received by the Company from the Government of India, State Governments, Financial Institutions, Banks, Dealers, Customers, Vendors and Stakeholders.

Inspired by a vision, driven by values and powered by internal vitality, the Directors look forward to the future with confidence and stand committed to creating an even brighter future for all stakeholders.

For and on behalf of the Board of Directors

**Harsh V. Lodha**  
Chairman  
(DIN: 00394094)

**Sandip Ghose**  
Managing Director &  
Chief Executive Officer  
(DIN: 08526143)

Place: Kolkata

Dated, the 9th May, 2023



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

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

	<u>Cement</u>	<u>Jute</u>	<u>Steel Foundry</u>
<b>A. Conservation of Energy</b>			
i) a) Energy Conservation measures taken	<p><b>Chanderia</b></p> <ol style="list-style-type: none"> <li>Modification in Cooler hood and Tertiary Air Duct (TAD) to solve the problem of dust falling from TAD bend and for saving in specific energy consumption.</li> <li>Direct feeding of crushed limestone from crusher to OLBC bypassing limestone pile formation at crusher end.</li> <li>Installation of 1 MW captive Solar Power Plant.</li> </ol> <p><b>Satna</b></p> <ol style="list-style-type: none"> <li>Upgradation of existing Cement Mill motor &amp; VFD at SCW Mill House.</li> <li>Installation of Capacitor bank to improve power factor.</li> <li>Replacement of Turbine rotor with new upgraded design rotor.</li> <li>Installation of 5 MW captive Solar Power Plant.</li> </ol> <p><b>Durgapur</b></p> <ol style="list-style-type: none"> <li>Installation of VFD in BDC Fan at various packer.</li> <li>Installation of AIRTRON Energy saver Controller at DHTC CCR, Server Room, Weigh Feeder and DCW MCC-3&amp;4.</li> <li>Optimization in running of packer no 5.</li> </ol> <p><b>Raebareli</b></p> <ol style="list-style-type: none"> <li>All bag filters purging mode changed from Timer mode to DP mode.</li> <li>Air Dryer is interlocked with Compressors which prevent unnecessary running of dryers.</li> <li>Cement Silo Aeration Root Blower operation mode has been changed from manual to auto mode with Packer.</li> <li>Power factor improvement by APFC Panel from 0.96 to more than 0.99.</li> <li>Optimization of Power Consumption of Fly Ash Collection Unit at NTPC Uchahaar.</li> </ol>	<ol style="list-style-type: none"> <li>Replacement of 6 nos. Twisting Machines old motors of 22.4 kw each with energy efficient motors of 14.9 kw each.</li> <li>Replacement of 12 nos. Spinning Machines old motors of 18.7 kw each with energy efficient motors of 14.9 kw each.</li> <li>Replacement of 4 nos. Tubewell pump motors of 14.9 kw each with energy efficient motors of 9.3 kw each.</li> </ol>	<ol style="list-style-type: none"> <li>The conservation of energy is a continuous exercise. Trend of energy consumption is regularly monitored and remedial measures are initiated to improve energy efficiency.</li> <li>Control of metal heating process temperature to optimize energy requirement.</li> <li>Efficiency improvement in cooling system leads to reduced energy consumption.</li> <li>Optimize air requirement to improve efficiency of compressor.</li> </ol>
b) Impact on conservation of energy	<p><b>Chanderia</b></p> <ol style="list-style-type: none"> <li>After this modification, saving in specific heat consumption would be 5 - 8 kCal/kg of clinker.</li> <li>The new circuit bypassing system results in cost saving of ₹ 2.43/T.</li> <li>Promote green energy and conservation of fossil fuel.</li> </ol> <p><b>Satna</b></p> <ol style="list-style-type: none"> <li>Annual energy saving of 1.74 lakhs Kwh.</li> <li>Capacitors installed to obtain power factor more than 0.995.</li> <li>On full load steam consumption is reduced from 4.36 Kg/kwh to 4.22 Kg/kwh.</li> <li>Promote green energy and conservation of fossil fuel.</li> </ol>	Reduction in power consumption.	-

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

	<u>Cement</u>	<u>Jute</u>	<u>Steel Foundry</u>
	<b>Durgapur</b>	-	-
	1 Savings achieved in fan power after VFD installation at Packing section.		
	2 Savings achieved 3 kwh due to energy controller.		
	3 Savings achieved 10 kwh.		
	<b>Raebareli</b>		
	1 Savings in compressed air & energy.		
	2 Reduced idle running of drier and leads to energy savings.		
	3 Saving achieved 0.32 Unit/Ton of Cement.		
	4 Improve power utilization and savings in gain in energy bills rebate.		
	5 Achieved saving of 1.52 Kwh/T of Fly ash.		
ii) Steps in utilization of alternate sources of energy	1 AFR used in kiln in both Satna & Chanderia Units which includes Waste mix solids, ETP sluge, Mustard husk, TDI Tar, Industrial waste, Non hazardous waste and replacing fossil fuel in sustainable manner.	-	-
	2 Liquid waste fuel firing to NCCW calciner.		
	3 Modification in CCW & NCCW firing system for dosing of carbon black.		
	4 WHRS system is operating in both Satna & Chanderia Units for power generation from waste flue gas.		
	5 Sourcing renewable energy from captive solar power plant at both Satna & Chanderia.		
	6 Sourcing renewable energy from group captive solar power plant for Raebareli.		
iii) Capital investment on energy conservation equipments	₹ 1954.00 Lakhs	₹ 7.02 Lakhs	-
<b>B. Technology Absorption</b>			
Research & Development			
i) Specification of Technology absorption and/or R&D	1 Replacement of two AFBC boilers with CFBC boilers at 27 MW CPP.	1 Technology absorbed for brightening of jute fibre by eliminating the use of EDTA, Citric Acid etc.	-
	2 Installation of PSA based N2 inertization system for CCW coal mills at Chanderia.	2 Installed automatic six headed screen printing machine with 3 dryers.	
	3 Upgradation of Cement Mill 1A, Main drive HT Motor at SCW Mill House at Satna.	3 Elimination of mangle wheel in Roving machine by introducing VFD control.	
	4 Upgradation of Gas Analyser (CO + O2) complete system SCW at Satna.		
	5 Upgradation of Kiln main drive VFD panel SCW at Satna.		
	6 Installation of Sewage Treatment Plant (STP) at Raebareli.		
	7 Use of FGD gypsum in all the plants.		
	8 Use of Conditioned Fly ash in all the plants.		

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

	<b>Cement</b>	<b>Jute</b>	<b>Steel Foundry</b>
ii) Benefits	<ol style="list-style-type: none"> <li>1 After installation of these boilers getting high degree of fuel flexibility, reduction of plant heat rate, higher boiler efficiency and low generation cost.</li> <li>2 N2 inertization system will augment the safety of CCW coal mills circuit by reducing chances of fire.</li> <li>3 Replacement leads to increase in cement mill reliability.</li> <li>4 Gas Analyser panel with a latest technology of scavenging system for reliability.</li> <li>5 Upgraded drive panel with Rectifier unit provide better control in operation of kiln.</li> <li>6 Re-use of waste water leads to conservation of water.</li> <li>7 Reduce mineral gypsum consumption.</li> <li>8 Reduce dry fly ash consumption and optimize cost.</li> </ol>	<ol style="list-style-type: none"> <li>1 Complete restoration of golden colour of jute fibre without altering its natural properties.</li> <li>2 Better compactness is achieved by increasing sliver weight of 8 to 9 kg per bowl.</li> <li>3 Reduce thread wastage on Roving machine.</li> </ol>	-

**C. Foreign Exchange Earnings & Outgo**

i) Foreign Exchange earned -	₹ 8,057.73 Lakhs
ii) Foreign Exchange outgo -	₹ 52,339.92 Lakhs

For and on behalf of the Board of Directors

**Harsh V. Lodha**  
Chairman  
(DIN: 00394094)

**Sandip Ghose**  
Managing Director &  
Chief Executive Officer  
(DIN: 08526143)

Place: Kolkata  
Dated, the 9th May, 2023

**ANNUAL REPORT ON CSR ACTIVITIES  
FOR THE FINANCIAL YEAR 2022-23**

**1. Brief outline on CSR Policy of the Company**

As per the provisions of the Companies Act, 2013 and Rules framed thereunder, the Company has formulated its Corporate Social Responsibility (CSR) Policy to contribute to economic development in different ways to ensure the economically disadvantaged section of society is benefited. The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society. The CSR initiatives are steered by the guiding principle of sensitivity to the needs of the people, enhancing the quality of their lives and protection of the environment.

The Company's CSR Programs are directed mainly in the areas of Education, Healthcare, Water, Women Empowerment, enhancement of livelihood and Rural Development. While planning the CSR activities the needs of the people are taken into account and people living around the places where its manufacturing operations are carried out, are consulted. Greater emphasis is laid on activities for Preventive healthcare, Education of poor children, Water facility, Rural Infrastructure development, Cleanliness and enhancing the income of the poor people. The Company has undertaken the CSR activities directly through its staff with support from reputed NGOs and like-minded partners.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Harsh V. Lodha	Chairman (Non-Independent Non-Executive Director)	2	2
2	Shri Vikram Swarup	Member (Independent Director)	2	2
3	Shri Brij Behari Tandon*	Member (Independent Director)	2	-
4	Shri Dhruva Narayan Ghosh	Member (Independent Director)	2	2
5	Shri Anand Bordia**	Member (Independent Director)	2	1
6	Smt Shailaja Chandra**	Member (Independent Director)	2	1

\* Resigned as the Director of the Company w.e.f. 11th May, 2022.

\*\* Appointed as the Member of the Committee w.e.f. 6th August, 2022.

**3. Provide the web-link (s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

Particulars	Web-link of the website
Composition of CSR Committee	<a href="https://www.birlacorporation.com/board-committees.html">https://www.birlacorporation.com/board-committees.html</a>
CSR Policy	<a href="https://www.birlacorporation.com/investors/policies/csr-policy.pdf">https://www.birlacorporation.com/investors/policies/csr-policy.pdf</a>
CSR projects approved by the Board	<a href="https://www.birlacorporation.com/csr.html">https://www.birlacorporation.com/csr.html</a>

**4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Not Applicable

**5. (a) Average net profit of the Company as per sub section (5) of section 135: ₹ 383.29 crores**

**(b) Two percent of average net profit of the company as per the sub-section (5) of section 135: ₹ 7.67 crores**

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

- (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL
- (d) **Amount required to be set off for the financial year, if any:** ₹ 0.03 crores
- (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 7.64 crores
6. (a) **Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project):** ₹ 7.56 crores
- (b) **Amount spent in Administrative Overheads:** ₹ 0.08 crores
- (c) **Amount spent on Impact Assessment, if applicable:** Not Applicable
- (d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 7.64 crores
- (e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7.64	NIL	NA	NA	NIL	NA

- (f) **Excess amount for set-off, if any:**

Sl. No.	Particulars	Amount (₹ in Crores)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	7.67
(ii)	Total amount spent for the Financial Year	7.64
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for the set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:** NIL
8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No
9. **Specify the reasons (s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135:** Not Applicable

For and on behalf of the Board of Directors

**Harsh V. Lodha**

Chairman of the CSR Committee  
(DIN: 00394094)

**Sandip Ghose**

Managing Director &  
Chief Executive Officer  
(DIN: 08526143)

Place: Kolkata  
Dated, the 9th May, 2023

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

**ANNEXURE – C**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23:

Sl. No.	Name of Director(s)/ KMPs	Designation	Ratio of remuneration of each Director to median remuneration of employees **	% increase in Remuneration in the FY 2022-2023
01.	Shri Sandip Ghose*	Managing Director & Chief Executive Officer	-	N.A.
02.	Shri Arvind Pathak#	Erstwhile Managing Director & Chief Executive Officer	-	-
03.	Shri Aditya Saraogi	Chief Financial Officer	N.A.	7.49%
04.	Shri Manoj Kumar Mehta	Company Secretary & Legal Head	N.A.	13.37%

\* Appointed as the Wholetime Director for the period from 1st December, 2022 to 31st December, 2022 and thereafter, elevated as the Managing Director & Chief Executive Officer of the Company w.e.f. 1st January, 2023, therefore % increment in the FY 2022-23 is not applicable.

# Ceased to be the Managing Director & Chief Executive Officer of the Company w.e.f. 31st December, 2022.

\*\* The median remuneration of employees of the Company during the financial year 2022-23 was ₹ 2.60 Lakhs.

**Notes:**

- The ratio of remuneration to Median Remuneration is provided only for those Directors who have drawn remuneration from the Company for the full financial year 2022-23.
  - For the purpose of computation of increase in remuneration, incentive remuneration has been considered based on accruals and payments relating to earlier years have been excluded.
  - The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Members. The details of sitting fees and commission paid to the Non-Executive Directors are provided in the Report on Corporate Governance.
- There was an increase of 7.78% in the median remuneration of employees during the financial year 2022-23.
  - There were 6,920 permanent employees on the rolls of Company as on 31st March, 2023.
  - Average percentage increase made in the salaries of employees other than the Managerial Personnel in the financial year i.e. 2022-23 was 11.07% whereas the increase in the managerial remuneration for the same financial year was 12.08%.  
Average increase in the remuneration of the employees other than the Managerial Personnel and that of the Managerial Personnel depends upon the factors like industry standards, individual performance etc. during the year.
  - It is hereby affirmed that the remuneration paid during the year ended 31st March, 2023 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

**Harsh V. Lodha**  
Chairman  
(DIN: 00394094)

**Sandip Ghose**  
Managing Director &  
Chief Executive Officer  
(DIN: 08526143)

Place: Kolkata  
Dated, the 9th May, 2023

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Members**

Birla Corporation Limited  
Birla Building  
9/1, R N Mukherjee Road  
Kolkata 700001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Birla Corporation Limited** (hereinafter called the "Company"), bearing CIN: L01132WB1919PLC003334. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, to the extent applicable, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Investor Education and Protection Fund Authority Rules, 2016;
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - (g) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (h) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

**ANNEXURE TO DIRECTORS' REPORT** (Contd.)

- vii. The other laws applicable specifically to the Cement/Jute/Iron & Steel division(s) of the Company namely:
- (a) The Mines and Minerals (Development and Regulation) Act, 1957 read with Mineral Conservation and Development Rules, 2017.
  - (b) The Explosive Act, 1884 read with The Explosive Rules, 2008.
  - (c) The Environment (Protection) Act, 1986.
  - (d) The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972.
  - (e) The Indian Electricity Act, 1910 read with Indian Electricity Rules, 1956.
  - (f) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987.
  - (g) The Jute Manufactures Cess Act, 1983.
  - (h) The National Jute Board Act, 2008.
  - (i) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
  - (j) The West Bengal Factories Act, 1948 read with West Bengal Factories Rules, 1958.
  - (k) West Bengal Labour Welfare Fund Act, 1974 & Rules 1976.
  - (l) Contract Labour (R&A) Act, 1970.
  - (m) Any other laws as may be applicable.

We have also examined compliance of Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned herein above.

We further report that:

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

Further, **Shri Brij Behari Tandon** (DIN: 00740511), Non-Executive Independent Director and **Shri Arvind Pathak** (DIN: 00585588), Managing Director & Chief Executive Officer have resigned w.e.f 11th May, 2022 and 31st December, 2022 respectively.

Furthermore, **Shri Sandip Ghose** (DIN: 08526143) was appointed as an Additional Director and the Whole-time Director of the Company for a period from 1st December, 2022 to 31st December, 2022 and subsequently, as the Managing Director & Chief Executive Officer of the Company for a period of three years w.e.f. 1st January, 2023.

Adequate notice had been given to all the Directors to schedule the Board Meetings (including meetings of the Committees), agenda and detailed notes on agenda were sent at least seven days in advance except in case of the Board Meeting dated 16th September, 2022 which was conducted at a shorter notice with the consent of all the Directors and in presence of independent directors of the Company and all the provisions with regard to conducting meeting at a shorter notice were duly complied with. A system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore there were no dissenting views which were required to be recorded.

During the period under review, the Company has partially redeemed ₹ 30 Crores out of principal amount of ₹ 150 Crores of 1,500 Unlisted, Secured, Redeemable, Non-Convertible Debentures ('NCD') Series-VIII of ₹ 10,00,000/- each on 8th December, 2022 and accordingly, the face value of the NCD has been reduced from ₹ 10,00,000/- to ₹ 8,00,000/- per debenture and the Company has duly complied with applicable laws, rules, regulations and guidelines with respect to the said redemption.

During the period under review, Managerial Remuneration paid to two Non-Promoter Whole time / Managing Director(s) of the Company for the year ended 31st March 2023, exceeded the permissible limits as prescribed under section 197 read with Schedule - V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended by ₹ 1.53 Crores. The Company is in the process of obtaining necessary approval from its shareholders at the forthcoming Annual General Meeting for waiver of such excess remuneration paid/payable or provided.



**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

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

We further report that during the audit period there were no investments/disinvestments made by the Company having a major bearing on the Company's affairs. The details are given as under:

**1. Details of investments of the Company in other companies resulting which a subsidiary company has been formed:**

No

**2. Company/Bodies Corporate which has become associate:**

No

**3. Company which has become Joint Venture:**

No

For **Mamta Binani & Associates**

**CS Madhuri Pandey**

Partner

CP No.: 20723

Membership No.: A55836

UDIN: A055836E000277607

Date: 09.05.2023

Place: Kolkata

**ANNEXURE TO DIRECTORS' REPORT** (Contd.)

**Annexure-E**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

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

To  
The Members of  
RCCPL Private Limited  
Industry House, 2nd Floor  
159, Churchgate Reclamation  
Mumbai - 400 020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RCCPL Private Limited** (hereinafter called "the Company") bearing CIN: U26940MH2007PTC173458. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 ("Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023, to the extent applicable, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015\*;
- (iv) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015\*\*;

\*The Company being a 'material subsidiary' of Birla Corporation Limited (BCL) as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain employees of the Company have been categorized as Designated Persons and are covered by BCL's Code of Conduct framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

\*\*The Company has not entered into any listing agreement with the Stock Exchanges.

- (v) Other applicable laws generally applicable to the Industry/Company.
  - a) The Factories Act, 1948;
  - b) The Payment of Wages Act, 1936;
  - c) The Minimum Wages Act, 1948;
  - d) The Payment of Gratuity Act, 1972;
  - e) The Mines Act, 1952;
  - f) The Mines and Minerals (Development and Regulation) Act, 1957 read with Mineral Conservation and Development Rules, 2017;

## ANNEXURE TO DIRECTORS' REPORT (Contd.)

- g) The Explosive Act, 1884 read with The Explosive Rules, 2008;
- h) Ammonium Nitrate Rules, 2012;
- i) The Limestone and Dolomites Mines Labour Welfare Fund Act, 1972;
- j) The Child Labour (Prohibition and Regulations) Act, 1986;
- k) The Environment (Protection) Act, 1986 read with the Environment (Protection) Rules, 1986;
- l) The Water (Prevention and Control of Pollution) Act, 1974 read with Water (Prevention and Control of Pollution) Rules, 1975;
- m) The Air (Prevention and Control of Pollution) Act, 1981 read with Air (Prevention and Control of Pollution) Rules, 1982;
- n) Contract Labour (Regulation & Abolition) Act, 1970;
- o) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

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

- (i) Secretarial Standard-I and II issued by the Institute of Company Secretaries of India;  
and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the Company is a 'material unlisted subsidiary' of Birla Corporation Limited (BCL) which is listed on BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

In respect of other laws specifically applicable to the Company, I have relied in information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

### **I further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings/Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.

**I further report that** there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the Company has redeemed its 10% Redeemable Cumulative Preference Shares issued to M/s. Birla Corporation Limited.

Place: Kolkata  
Date: 6th May, 2023

**Rajesh Ghorawat**  
Practising Company Secretary  
M. No.: F7226  
C.P. No.: 20897  
UDIN: F007226E000264516  
ICSI Peer Review No.: 1992/2022

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

**ANNEXURE A**

To  
The Members of  
M/s. RCCPL Private Limited  
Industry House, 2nd Floor  
159, Churchgate Reclamation  
Mumbai – 400020

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 6th May, 2023

**Rajesh Ghorawat**  
Practising Company Secretary  
M. No.: F7226  
C.P. No.: 20897  
UDIN: F007226E000264516  
ICSI Peer Review No.: 1992/2022

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

- |   |  |
|---|--|
| <b>1. Corporate Identity Number (CIN) of the Listed Entity</b>  | L01132WB1919PLC003334  |
| <b>2. Name of the Listed Entity</b>   | Birla Corporation Limited  |
| <b>3. Year of Incorporation</b>   | 25-08-1919   |
| <b>4. Registered office address</b>   | 9/1, R N Mukherjee Road, Birla Building, Kolkata 700 001   |
| <b>5. Corporate address</b>   | 1, Shakespeare Sarani (2nd Floor), Kolkata 700 071   |
| <b>6. E-mail</b>  | coordinator@birlacorp.com  |
| <b>7. Telephone</b>   | (033) 6603-3300  |
| <b>8. Website</b>   | www.birlacorporation.com   |
| <b>9. Financial year for which reporting is being done</b>  | 2022-23  |
| <b>10. Name of the Stock Exchange(s) where shares are listed</b>  | National Stock Exchange of India Ltd. (NSE), BSE Limited (BSE)   |
| <b>11. Paid-up Capital</b>  | ₹ 77,00,53,470.00  |
| <b>12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report</b> | Shri Manoj Kumar Mehta<br>Company Secretary & Legal Head<br>Tel: (033) 6603-3300<br>Email: manoj.mehta@birlacorp.com |
| <b>13. Reporting boundary</b>   | This report is made on a Standalone basis  |

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Manufacturing	Manufacturing of Cement and Clinker	92%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Cement and Clinker	2394	92%

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	10	22*	32
International	0	0	0

\* Include marketing offices

##### 17. Markets served by the entity:

###### a. Number of locations

Locations	Number
National (No. of States)	9 States and 1 Union Territory
International (No. of Countries)	28*

\* in respect of jute division

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**b. What is the contribution of exports as a percentage of total turnover of the entity?**

1%

**c. A brief on types of customers**

Birla Corporation Limited (BCL) is primarily engaged in the manufacturing of cement and clinker as its core business activities. More than 90% of its revenue is generated from sale of cement to Individual Home Builders, Real Estate Developers and Infrastructure Companies.

The Company is also engaged in the manufacturing of jute products and steel castings. While steel castings are positioned to cater the needs of Cement & Steel Companies, jute products find application as an eco-friendly alternative in both domestic and export markets. The Company is a leading exporter of jute products to approximately 28 countries.

**IV. Employees**

**18. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,870	1,835	98.13%	35	1.87%
2.	Other than Permanent (E)	343	342	99.71%	1	0.29%
3.	Total employees (D + E)	2,213	2,177	98.37%	36	1.63%
<b>WORKERS</b>						
4.	Permanent (F)	5,050	5,044	99.88%	6	0.12%
5.	Other than Permanent (G)	5,271	5,225	99.13%	46	0.87%
6.	Total workers (F + G)	10,321	10,269	99.50%	52	0.50%

**b. Differently abled employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	4	4	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	4	4	100%	-	-
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	3	3	100%	-	-
6.	Total differently abled workers (F + G)	3	3	100%	-	-

**19. Participation/inclusion/representation of women:**

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.50%
Key Management Personnel	3*	-	-

\* Includes 1 Executive Director, Chief Financial Officer and Company Secretary.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**
**20. Turnover rate for permanent employees**

	FY 2022-23			FY 2021- 22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.08%	11.76%	14.03%	11.60%	24.24%	11.83%	6.77%	6.06%	6.75%
Permanent Workers	6.58%	0.00%	6.57%	3.62%	0.00%	3.62%	2.30%	0.00%	2.30%

**V. Holding, Subsidiary and Associate Companies (including Joint Ventures)**
**21. Names of the holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	RCCPL Private Limited	Material wholly owned subsidiary	100%	The report is prepared on standalone basis. However, RCCPL Private Limited participates in the BRSR initiatives of the Company.
2.	Lok Cement Limited	Wholly owned subsidiary	100%	
3.	Birla Jute Supply Company Limited	Wholly owned subsidiary	100%	
4.	Budge Budge Floorcoverings Limited	Wholly owned subsidiary	100%	
5.	Birla Cement (Assam) Limited	Wholly owned subsidiary	100%	
6.	M.P.Birla Group Services Private Limited	Wholly owned subsidiary	100%	
7.	Talavadi Cements Limited	Subsidiary	98.01%	
8.	AAA Resources Private Limited	Step down wholly owned subsidiary	100%	
9.	Utility Infrastructure & Works Private Limited	Step down wholly owned subsidiary	100%	

**VI. CSR details**

22. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
- ii. Turnover: ₹ 5,441.19 crores
- iii. Net worth: ₹ 4,216.87 crores

**VII. Transparency and Disclosures Compliances**
**23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	None	-	-	None
Investors (other than shareholder)	www.birlacorporation.com/contact.html	-	-	None	-	-	None
Shareholders		1	-	None	2	-	None
Employees and Workers		10	-	None	16	-	None
Customers		233	5	None	144	-	None
Value Chain Partner		43	-	None	49	-	None

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**24. Overview of the entity's material responsible business conduct issues:**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Positive/Negative Implications)
1.	Energy and GHG Emissions	Risk and Opportunity	Mitigating the adverse impacts of climate change through reducing greenhouse gas emissions.	<ul style="list-style-type: none"> <li>● Use of alternative materials to reduce clinker factor.</li> <li>● Improve energy efficiency.</li> <li>● Enhance Waste heat recovery and use of Renewable Energy (RE).</li> <li>● Optimize fuel composition, along with the use of waste as alternative fuel.</li> </ul>	● Positive
2.	Air Quality	Risk	Ensuring emissions are within permissible limits to prevent negative health impacts.	<ul style="list-style-type: none"> <li>● High efficiency air pollution control systems are installed at source and collected Particulate Emissions (PM) are recycled back in the process.</li> <li>● Installed Continuous Emission Monitoring Systems (CEMS).</li> <li>● Continuous Ambient Air Quality Monitoring Stations (AAQMS) installed.</li> </ul>	● Negative
3.	Water Conservation	Risk and Opportunity	Addressing water stress through judicious use of water as a resource and Rainwater Harvesting.	<ul style="list-style-type: none"> <li>● The Company has water positive by decreasing water consumption and increasing through Rainwater Harvesting.</li> <li>● Identifying Alternative Sources of Water.</li> <li>● Optimizing Water Consumption.</li> <li>● Maintaining Zero Liquid Discharge Status.</li> </ul>	● Positive
4.	Circular economy	Opportunity	Circular economy provides opportunity to lower the use of clinker in manufacturing of cement and thereby reducing associated carbon footprint.	<ul style="list-style-type: none"> <li>● Apply the 4R (Reduce, Reuse, Recycle and Recover) principles for gainful utilization of waste resources.</li> <li>● High percentage of blended cement (around 85%) in our total sales and high extent of use of addition like fly ash and slag in the blended cement within the prescribed limit .</li> </ul>	● Positive
5.	Materials management	Opportunity	Maintaining high quality product helps in improving in realization and promote brand equity.	<ul style="list-style-type: none"> <li>● Establish systems and processes to screen materials basis its attributes.</li> </ul>	● Positive
6.	Climate Change	Opportunity	With increase awareness of climate change, the consumer today is consciously shifting towards greener products. This brings an opportunity to reduce carbon footprint.	<ul style="list-style-type: none"> <li>● Establish system for adoption of new technology including digitization.</li> </ul>	● Positive



**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Positive/Negative Implications)
7.	Transport and Logistics	Opportunity	Building resilience in the supply chain through optimum use of vehicles and higher use of more affordable and low carbon alternatives.	<ul style="list-style-type: none"> <li>Optimize transportation logistics through route planning and implementation of Integrated Logistics Management System.</li> <li>Identifying alternative modes of transport.</li> <li>Use of cleaner forms of transport including electric vehicles.</li> <li>Use of bulk transportation mode through rail.</li> </ul>	<ul style="list-style-type: none"> <li>Positive</li> </ul>
8.	Talent management	Risk and Opportunity	Enriching employees experience at workplace to attract and retain talent.	<ul style="list-style-type: none"> <li>Employees are provided with skill enhancement training.</li> <li>Provide regular feedback to employees through performance appraisal.</li> <li>Motivating good performance through rewards, recognitions.</li> </ul>	<ul style="list-style-type: none"> <li>Positive</li> </ul>
9.	Labour management	Risk and Opportunity	Managing disputes with employees and workers peacefully.	<ul style="list-style-type: none"> <li>Engaging with union representatives and committees and addressing their concerns through long term settlements.</li> <li>Frequent interactions with workmen at large as a part of Open door practice.</li> </ul>	<ul style="list-style-type: none"> <li>Positive</li> </ul>
10.	Occupational health and safety	Risk	Prevention of work-related injuries and ill health through provision of safe and conducive work environment.	<ul style="list-style-type: none"> <li>Establishing and implementing safety and occupational health standards.</li> <li>Developing competencies through training.</li> <li>Engaging all stakeholders on safety practices on a continuous basis and ensuring operational safety discipline among all employees.</li> </ul>	<ul style="list-style-type: none"> <li>Negative</li> </ul>
11.	Diversity and inclusion	Opportunity	To be recognized as an equal opportunity employer.	<ul style="list-style-type: none"> <li>Providing a work environment that is inclusive to all.</li> <li>Providing equitable compensation, facilities and benefits to all.</li> </ul>	<ul style="list-style-type: none"> <li>Positive</li> </ul>
12.	Community engagement	Opportunity	Building trust and harmonizing relations with communities through economic empowerment and social wellbeing is essential for business continuity.	<ul style="list-style-type: none"> <li>Identification of vulnerable communities.</li> <li>Undertaking community need assessment.</li> <li>Selection of implementing partner.</li> <li>Baseline survey.</li> <li>Project implementation.</li> <li>Project monitoring and evaluation.</li> <li>Social impact assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Positive</li> </ul>
13.	Customer centricity	Opportunity	Upholding customer trust, maintaining transparency and ensuring their satisfaction is key to business growth.	<ul style="list-style-type: none"> <li>Implementation of Customer Relationship Management (CRM).</li> <li>Enhancing engagement channels to gauge the satisfaction levels of customers and meet their expectations.</li> </ul>	<ul style="list-style-type: none"> <li>Positive</li> </ul>

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines on Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive towards all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web link of the policies, if available	The Corporate policies of the Company can be viewed at weblink <a href="https://www.birlacorporation.com/policies.html">https://www.birlacorporation.com/policies.html</a> . Some of the policies of the Company are accessible only to employees and other internal stakeholders.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name the national and international codes/certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Fairtrade* , Oeko-Tex* , Global Organic Textiles Standard* , SEDEX* , ISO 45001:2018*** , SA 8000:2014* , ISO 14001:2015*** , ISO 50001:2018** , ISO 9001:2015  IS 269:2015, IS 1489 (Part-1):2015, IS455:2015, IS16415:2015 ** CO2 and Energy Accounting and Reporting Standard for the Cement Industry by WBCSD **								

\*Applicable for Jute division

\*\* Applicable for cement division

\*\*\*Applicable for jute and cement division

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)

5&6. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

Principles	Targets	Mandatory/ Voluntary	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.
Principle 1	Preparedness towards implementation of ISO 37001 by 2030.	Voluntary	On Track
Principle 2	Pilot implementation of Electric Mobility by 2025.	Voluntary	On Track
Principle 2	Pilot implementation of AI & ML in Process & Maintenance by 2025.	Voluntary	On Track
Principle 2	All the mines be brought to the level of 5-star rating by 2030.	Voluntary	On Track
Principle 2	Product stewardship - Completing IGBC Green pro labelling for all products by 2030.	Voluntary	On Track
Principle. 2	Product stewardship - Implementing Extended Producer Responsibility - plastic negative by 2025 and to become 1.5 times plastic negative by 2030.	Voluntary	On Track
Principle 2	Our product will continue to comply with BIS standards and will also comply with revised/new standards.	Mandatory	On Track
Principle 3	Zero harm across all operations by 2030.	Voluntary	On Track
Principle 6	Achieve 25% thermal substitution rate at all cement plants by 2030.	Voluntary	On Track
Principle 6	Water positive by 4 times by 2025 and 6 times by 2030.	Voluntary	On Track
Principle 8	Create self-sustaining livelihood for 9,000 people by 2030.	Voluntary	On Track
Principle 8	Impact 10,000 farmers by 2030.	Voluntary	On Track
Principle 8	Educate 35,000 students by 2030.	Voluntary	On Track
Principle 8	Plant 30,000 trees by 2030 in the community.	Voluntary	On Track
Principle 8	Harvest 500 million litres of water by 2030 in the community.	Voluntary	On Track
Principle 8	To provide healthcare services to 5 Lakh people by 2030.	Voluntary	On Track
Principle 8	To develop 100 Anganwadi centres by 2030.	Voluntary	On Track
Principle 9	To establish ISO 27001 across operations by 2027.	Voluntary	On Track

## GOVERNANCE, LEADERSHIP AND OVERSIGHT

### 7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements

Dear Stakeholders,

It gives me immense pleasure to unveil our inaugural Business Responsibility and Sustainability Report in compliance with framework prescribed by SEBI. The report is an illustration of the Company's environmental and social performance during the reporting period, which demonstrates our commitment towards creating long term value for our stakeholders.

Despite the various economic challenges faced during the reporting period the Company was able to overcome them by embracing an ESG framework. The framework has enabled the Company to integrate ESG into every aspect of its business strategy. It has not only enabled us to identify various risks & opportunities but also set an action plan to mitigate risks and improve upon our performance towards key objectives.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

During the reporting period, we have aligned with the 4V model, i.e., Vision, Value, Velocity & Visibility to help us drive our ESG ambitions. Thus, our endeavour to be admired by stakeholders for our sustainable performance, ethics and culture has led us to attaining new heights, which is illustrated in the following sections of the report.

I hereby thank all our stakeholders for demonstrating unflinching faith in our endeavors. This has been a great source of motivation for us to perform to the best of our abilities and to ensure that we continue offering our services seamlessly. We look forward to your continued support and insights so as to benchmark ourselves with the best practices in the area of sustainability.

Warm Regards

Mr. Sandip Ghose  
Managing Director & Chief Executive Officer

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**

S. No.	Particulars	Details
1	DIN	08526143
2	Name	Mr. Sandip Ghose
3	Designation	Managing Director & Chief Executive Officer

**9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? If yes, provide details.**

Yes, the Managing Director & Chief Executive Officer of the Company is responsible for decision-making on sustainability related issues. The overall sustainability performance of the Company is assessed by the Board annually.

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	Managing Director & Chief Executive Officer									Annually								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Managing Director & Chief Executive Officer									Annually								

**11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? If yes, provide the name of the agency.**

P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company periodically conducts a comprehensive internal audit of our policies and evaluate and monitor any gaps found in the implementation of these policies.								

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No) Any other reason (please specify)									

**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**ESSENTIAL INDICATOR**

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	Familiarization was provided on key aspects covered under the 9 principles prescribed under the National Guidelines on Responsible Business Conduct and its relevance to business and other stakeholders to provide effective oversight on the implementation of policies, procedures and targets with respect to ESG.	100%
Key Managerial Personnel (KMP)	2	Familiarization was provided on key aspects covered under the 9 principles prescribed under the National Guidelines on Responsible Business Conduct and its relevance to business and other stakeholders to develop effective risk management strategies for mitigation.	100%
Employees other than Board of Directors or KMPs/Workers	Ongoing-Multiple trainings throughout the year	The Company conducted multiple sessions throughout the year on key topics such as Safety, the Company's Code of Conduct, Anti-Bribery and Anti-Corruption Policy, Conflict of Interest, Prevention of Sexual Harassment Policy, etc., for employees and workers across management and non-managerial levels. These training sessions are mandatory for all employees.  In addition, employees and workers are provided need-based training as per their job requirement, covering aspects including Safety, Agile Way of Working, Cyber-security, Quality Management, Data Analytics and Sustainability, etc.	100%

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format:**

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil				
Settlement					
Compounding Fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil				
Punishment					

**Note:** The disclosures has been made on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the Company's website.

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

There have been no cases registered against the entity or its directors/KMPs which resulted in fines/penalties/ punishment/award/ compounding fees/settlement amount paid in proceedings with regulators/law enforcement agencies/judicial institutions, in the reporting year.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has in place an Anti-Bribery and Anti-Corruption Policy.

The Policy emphasizes the Company's zero tolerance approach to bribery and corruption and sets out the responsibilities of the Company, its employees and value chain partners in observing and upholding the Company's position on bribery and corruption. The Policy provides necessary information and guidance on how to recognize and deal with bribery and corruption issues. The purpose of this Policy is to establish clear rules to ensure compliance with all applicable Anti-Bribery and Anti-Corruption laws.

The Policy is available under the following link: <https://birlacorporation.com/policies.html>.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	Nil	None	Nil	None
Number of complaints received in relation to issues of conflict of interest of KMPs	Nil	None	Nil	None

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable.

**LEADERSHIP INDICATORS**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	% of Value Chain partners covered (by value of business done with such partners) under the awareness programmes
Good construction practices, efficient usage of cement, plant visits showcasing the Quality Assurance/Quality Control measures, sustainability initiatives taken during manufacturing process, benefit of rainwater harvesting are being highlighted to value chain partners from time to time.		

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? If yes, provide details of the same.**

Yes, the Code of Conduct available on the link <https://birlacorporation.com/investors/code-of-conduct/code-of-conduct-director-and-senior-management.pdf>, has been formulated and approved by the Board. The said Code prevents the occurrence of any potential conflict of interest by the Directors, Key Managerial Personnel, Senior Management and Management Team and other designated persons of the Company. Further, during the year under review, there were no potential conflict with the interest of the Company at large.

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**ESSENTIAL INDICATOR**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022- 23	FY 2021-22	Details of improvements in environmental and social impacts
<b>R&amp;D</b>	4%	7%	New product development, process improvement in cement manufacturing.
<b>Capex</b>	8.78%	5.21%	The Company has invested in several Energy conservation and technology absorption projects mentioned under Annexure - A of the Directors' Report in addition to some of the water saving and biodiversity programmes mentioned in Principle 6.

**2. a. Does the entity have procedures in place for sustainable sourcing?**

Yes.

**b. If yes, what percentage of inputs were sourced sustainably?**

Yes, around 26.86% of the inputs used for manufacturing of cement are industrial waste which have been sourced sustainably.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:**

Plastics (including packaging)	Plastic waste generated from the sale of cement through PP bags and equivalent quantity of plastic from municipal sources or other sources are safely disposed off by the Company through an authorized recycler.
E-waste	The Company is not in the business of electronic consumer goods. However, the E-waste produced during the office operations is sold to the registered recyclers.
Hazardous waste	The hazardous waste generated is disposed through the registered recyclers or disposers having permissions from State Pollution Control Boards.
Other waste - Jute waste	The Company utilizes in process jute waste as fuel for its captive power plant for the jute mill in Birlapur to generate steam and electricity.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities? If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the Company has employed processes that reclaim packaging materials (particularly plastic waste) for safe disposal at the end of life. The Company has proactively participated in plastic waste management programmes for collection and safe disposal of its post-consumer plastic through an authorized recycler in line with its EPR action plan submitted to the Pollution Control Boards.

**LEADERSHIP INDICATORS**

**1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Life Cycle Assessment (LCA) is a tool for identifying opportunities to reduce the environmental impact of a product throughout its life cycle. The Company is exploring the scope of evaluating its products through Life Cycle Assessment (LCA) studies.					

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable, as no LCA was conducted during the reporting period.		

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Fly ash and Slag	26.86%	27.32%



**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021- 22		
	Reused	Recycled	Safely disposal	Reused	Recycled	Safely disposal
<b>Plastics (including packaging)</b>	Not applicable, as cement is an intermediate product of the construction activity. Plastic bags used for packaging in cement are also used for storage of other input materials of construction activity.					
<b>E-waste</b>						
<b>Hazardous waste</b>						
<b>Other waste</b>						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not applicable

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

**ESSENTIAL INDICATOR**

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
<b>Male</b>	1,835	1,835	100%	1,835	100%	-	-	-	-	-	-
<b>Female</b>	35	35	100%	35	100%	35	100%	-	-	-	-
<b>Total</b>	1,870	1,870	100%	1,870	100%	35	1.87%	-	-	-	-
<b>Other than Permanent employees</b>											
<b>Male</b>	342	32	9.36%	44	12.87%	-	-	-	-	-	-
<b>Female</b>	1	-	-	-	-	1	100%	-	-	-	-
<b>Total</b>	343	32	9.33%	44	12.83%	1	0.29%	-	-	-	-

- b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent workers</b>											
<b>Male</b>	5,044	5,044	100%	5,044	100%	-	-	-	-	-	-
<b>Female</b>	6	6	100%	6	100%	6	100%	-	-	-	-
<b>Total</b>	5,050	5,050	100%	5,050	100%	6	0.12%	-	-	-	-
<b>Other than Permanent workers</b>											
<b>Male</b>	5,225	5,225	100%	5,225	100%	-	-	-	-	-	-
<b>Female</b>	46	46	100%	46	100%	46	100%	-	-	-	-
<b>Total</b>	5,271	5,271	100%	5,271	100%	46	0.87%	-	-	-	-

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**2. Details of retirement benefits for the current and previous financial year:**

Benefits	FY 2022-23			FY 2021- 22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	covered as per rules	covered as per rules	Y	covered as per rules	covered as per rules	Y

**3. Accessibility of workplaces:**

**Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, BCL is committed to providing equal opportunities in employment and creating an inclusive workplace and work culture in which all employees are treated with respect, care, fairness, sensitivity and dignity. It provides equal employment opportunities without any discrimination on the ground of age, colour, disability, marital status, nationality, geography, ethnicity, race, religion, sex and believes in providing equal opportunity to persons from all the sections of the society including Persons with Disabilities (PWDs).

The Company's establishments are accessible to the differently abled. For easy commute and movements within the Company's locations, adequate wheelchair facilities are available along with ramp structures.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has formulated an Equal Opportunity Policy, aligned to the Rights of Persons with Disabilities Act, 2016 which is available at <https://www.birlacorporation.com/policies.html>.

**5. Return to work and Retention rates of permanent employees that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	-	-
Total	100%	100%	-	-

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes, as a progressive, forward looking and employee welfare-oriented organization, the Company has deployed multiple channels for addressing grievances of employees and workers. Employees and workers can address their grievances by:</p> <ul style="list-style-type: none"> <li>Expressing their concerns before the management team in its leadership position as part of the Open-door policy.</li> <li>Raising their concern before the top management during quarterly town hall meetings.</li> <li>Reporting to the Grievance redressal committee.</li> <li>Expressing concerns pertaining to work and safety during departmental and central safety committee meetings, shop floor meetings, participative forums like improvement projects and small group activities.</li> <li>Reporting grievances pertaining to sexual harassment to the Internal Complaints Committee established under the Company's Policy on Prevention of Sexual Harassment of Women at the Workplace.</li> </ul>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**7. Membership of employees and worker in Association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of Association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of Association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>1,870</b>	-	-	<b>1,821</b>	-	-
Male	1,835	-	-	1,788	-	-
Female	35	-	-	33	-	-
<b>Total Permanent Workers</b>	<b>5,050</b>	<b>4,343</b>	<b>86.00%</b>	<b>5,363</b>	<b>4,480</b>	<b>83.54%</b>
Male	5,044	4,337	85.98%	5,357	4,474	83.52%
Female	6	6	100%	6	6	100%

**8. Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2,177	2,087	95.87%	1,204	55.31%	1,895	1,643	86.70%	773	40.79%
Female	36	20	55.56%	11	30.56%	33	14	42.42%	14	42.42%
<b>Total</b>	<b>2,213</b>	<b>2,107</b>	<b>95.21%</b>	<b>1,215</b>	<b>54.90%</b>	<b>1,928</b>	<b>1,657</b>	<b>85.94%</b>	<b>787</b>	<b>40.82%</b>
<b>Workers</b>										
Male	10,269	6,415	62.47%	4,262	41.50%	10,093	6,026	59.70%	1,469	14.55%
Female	52	46	88.46%	46	88.46%	59	53	89.83%	4	6.78%
<b>Total</b>	<b>10,321</b>	<b>6,461</b>	<b>62.60%</b>	<b>4,308</b>	<b>41.74%</b>	<b>10,152</b>	<b>6,079</b>	<b>59.88%</b>	<b>1,473</b>	<b>14.51%</b>

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	1,835	1,835	100%	1,788	1,788	100%
Female	35	35	100%	33	33	100%
<b>Total</b>	<b>1,870</b>	<b>1,870</b>	<b>100%</b>	<b>1,821</b>	<b>1,821</b>	<b>100%</b>
<b>Workers</b>						
Male	5,044	5,044	100%	5,357	5,357	100%
Female	6	6	100%	6	6	100%
<b>Total</b>	<b>5,050</b>	<b>5,050</b>	<b>100%</b>	<b>5,363</b>	<b>5,363</b>	<b>100%</b>

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**10. Health and safety management system:**

- a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage of such a system?**

Yes, the Company has implemented the Occupational Health & Safety Management System (ISO 45001) across its manufacturing locations for cement and jute division.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Identification and mitigation of hazards lay down the foundations for sound health and safety management system. At BCL, a team of multidisciplinary functions are part of the Hazard Identification and Risk (HIRA) study for all routine and non-routine jobs, based on which identified risks are assessed and classified as high, moderate and acceptable. Standard operating procedures prepared taking into consideration the risk, provide the necessary guidance and outlines the risk control and minimization measures to reduce the risk index till As Low As Reasonable Practicable (ALARP) level is achieved. All hazards and control measure are being communicated to workmen through monthly work force involvement drives, Toolbox Talk, On job training and classroom safety trainings.

Through Qualitative and Quantitative Exposure Assessments (QLEA & QNEA), the Company conducts a Comprehensive Industrial Hygiene Survey in collaboration with expert agencies at all its cement manufacturing locations to monitor the respirable dust concentration, noise level, heat stress, illumination, ventilation efficiency and gas chemical concentration against the permissible exposure levels and identify the potential hazard and risk arising from the workplace.

This allows the management teams to define remedial measures and create a more congenial and conducive workplace to work.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?**

Yes, the Company has instituted processes for workers to report the work-related hazards and to remove themselves from such risks. Employees and workers are empowered to bring to the attention of the management, safety concerns through the online OHS Connect System and also having drop box facility at various locations of plants for manual reporting. Subsequently, these cases are analysed and investigated for corrective and preventive actions.

- d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

Health & Well-being of employees at any level is of the utmost importance at BCL. The Company provides the best-in-class medical facilities including an occupational health centre and advanced life support ambulance service at each manufacturing site. Competent medical practitioners are employed, who are supported by paramedics having approved and recognized qualifications and experience.

All contractual workers are supported with cashless hospitalization through ESIC and in partnership with external agency. All personnel are insured as per the company guidelines to support their family in any undesired event. As a part of our occupational health initiative, the organization conducts regular health check-ups of our employees.

**11. Details of safety-related incidents:**

<b>Safety Incident/Number</b>	<b>Category</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	0.22
	Workers	6.56	6.75
Total recordable work-related injuries	Employees	-	1
	Workers	136	136
No. of fatalities (safety incident)	Employees	-	-
	Workers	1	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

BCL is committed to ensuring the highest standards of health and safety at its workspace is operationalized through the development and dissemination of the Occupational Health and Safety Policy and Manual, supported by the safety management system standards and technical standards in alignment with the requirements of ISO 45001.

The effectiveness in the implementation of safety management system is ensured through:

- Physical verification of system implementation through cross site audits and corporate safety audits on a half yearly basis.
- External audits as per requirement for certification/re-certification.
- Review of safety performance and the effective implementation of the policies/ standards by the Apex Safety Committee (on quarterly basis), Corporate OHS team (on quarterly basis) and Plant Safety Committee (on ongoing basis).
- Inducing a safety culture by motivating and encouraging employees to provide suggestions to improving safety performance.
- Conducting safety awareness and safety perception survey.
- Continuous improvement of health and safety performance by addressing electrical safety, fire safety, working at height through modification of procedures, technology upgradation and leveraging digitalization.

**13. Number of complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	-	-	None	-	-	None
Health and safety	-	-	None	-	-	None

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

Safety Related Issues	Corrective / Preventive Actions taken
Based on our statistical analysis and risk assessment process, working at height, working near moving machineries and vehicular movements are our key focus areas	<p>Learning from leading and lagging indicators are key to improve our safety management systems. We analyze all incidents and implement corrective &amp; preventive actions to avoid reoccurrences. To control safety related issues we have implemented best in class engineering control as well as use of emerging technologies like AI enabled solutions as follows:</p> <ul style="list-style-type: none"> <li>• AI enabled cameras for plant surveillance to proactively report safety violations related to PPEs non-compliance at height, vehicle &amp; traffic safety, material handling.</li> <li>• Increased railing height of high rise structures up to 1.5 meter and additional wire mesh fencing.</li> <li>• 360 machine guarding and guard interlocks.</li> <li>• SAP based online work permit system.</li> <li>• Predefined vehicle fitness checks before plant entry.</li> <li>• Process Hazard Analysis (PHA) of all applicable plant operations.</li> <li>• Well trained employees to conduct accident investigation with the use of techniques like Why Why, Fish bone, FMEA.</li> <li>• Monthly and quarterly plant safety performance review by senior management.</li> <li>• Cross zone and cross plant safety audit, external safety audits to cross check system implementation and continual improvements.</li> </ul>

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of?**

	(Y/N)
Employees	Y
Workers	Y

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

- Checking and validating the payments made through challans.
- Confirmation of compliance by each unit.

**3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY2021-22
Employees	-	-	-	-
Workers	-	-	-	-

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

Yes, for permanent employees on a case-to-case basis.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	BCL ensures its value chain members maintain sound health and safety and working conditions. All value chain partners are required to abide by the applicable health and safety and working conditions prescribed under agreement. Going forward, the Company will strengthen the mechanism to monitor and measure the proportion of value chain partners assessed based on the mentioned criteria.
Working conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

**ESSENTIAL INDICATOR**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

We believe in shaping a robust relationship with our stakeholders. Our engagement approach takes into consideration the dependency, immediacy, responsibility, vulnerability and influence while identifying our key stakeholder groups.

Our key stakeholders include investors, suppliers, regulatory bodies, employees, consumers, media, shareholders, trade associates and local communities including NGOs (Non-Governmental Organizations) and local administration.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**
**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	<ul style="list-style-type: none"> <li>E-mails and meetings.</li> <li>Vendor assessments and reviews.</li> </ul>	Periodic	<ul style="list-style-type: none"> <li>Timely payment.</li> <li>Continuity of orders.</li> <li>Safety management.</li> <li>Ethics and transparency.</li> </ul>
Shareholders and Investors	No	<ul style="list-style-type: none"> <li>Annual General Meeting.</li> <li>Grievances through Registrar and Share Transfer Agent.</li> <li>Call for quarterly results.</li> <li>Interaction with institutional investors.</li> <li>Periodic press release.</li> <li>Corporate website.</li> <li>Designated E-mail ID and system for registering and redressal of investor complaints.</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Company's Performance.</li> </ul>
Government and Regulatory Authorities	No	<ul style="list-style-type: none"> <li>E-mails, filings, letters and physical meetings.</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Responding to queries.</li> <li>Expedition of clearances.</li> </ul>
Employees	No	<ul style="list-style-type: none"> <li>SharePoint portal.</li> <li>Yammer.</li> <li>E-mail.</li> <li>MD communication meet.</li> <li>Town halls.</li> </ul>	Regularly	<ul style="list-style-type: none"> <li>Work life balance.</li> <li>Fair remuneration.</li> <li>Respecting human rights.</li> <li>Occupational health and safety.</li> <li>Career growth.</li> <li>Training and development.</li> <li>Rewards and recognition.</li> </ul>
Local Communities/ NGOs	Yes	<ul style="list-style-type: none"> <li>Regular community visits.</li> </ul>	Regularly	<ul style="list-style-type: none"> <li>Access to healthcare.</li> <li>Hygiene &amp; sanitation facilities.</li> <li>Opportunities for quality education.</li> <li>Women empowerment and livelihood development.</li> <li>Improvement in rural infrastructure.</li> </ul>
Customers/ Dealers	No	<ul style="list-style-type: none"> <li>Company's website.</li> <li>Product campaigns.</li> <li>Surveys.</li> <li>Grievance Redressal.</li> <li>Advertisement, E-mail, SMS, Social media.</li> </ul>	Regularly	<ul style="list-style-type: none"> <li>Improved Quality Products.</li> <li>Responsible Production.</li> <li>Product Related Details.</li> <li>Timely Delivery.</li> <li>Immediate and efficient complaint redressal.</li> <li>Business related issues.</li> </ul>

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**LEADERSHIP INDICATORS**

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

BCL engages with stakeholders to develop policies and strategies including their diverse viewpoints which strengthens the relationship. Interaction with the stakeholders create an opportunity to co-create long term solutions for mitigating environmental, social and governance risks.

The Company has established a three-layered governance structure at the Board level, corporate level and unit level to drive sustainability development within the organization at every level. The Board is tasked with reviewing performance, discussing strategic directions, aligning priorities and providing feedback to the respective committees at the corporate level.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Company has engaged with internal and external stakeholders to align their ESG priorities with the business policies and strategies. The material environmental and social topics are identified based on its relevance to the sector and the requirements of applicable standards and rating indices. The significance of these topics to external stakeholders and the importance to internal stakeholders representing the business are evaluated through one-to-one interaction and focused group discussion. The feedbacks received from them are prioritized and considered as part of the preparation of the Business Responsibility and Sustainability Report policies for the nine principles.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

Aligned with the Corporate Social Responsibility (CSR) vision contained in the CSR policy, the CSR vertical aims at building trust and harmonizing relations with communities by listening to their voices, responding to their needs and suggestions and actively participating through engagements aligned with the United Nation's Sustainable Development Goals (SDGs) and our national goals.

The programmes have been developed keeping the villagers in the center-stage, with their participation being the key to all initiatives. Each of the programmes have been planned in a sustainable model, keeping in mind the target area and the socio-cultural and economic set-up of the communities. A 5-year Perspective Plan Report (PPR) is developed for each of the programmes that ensure systematic monitoring of the implementation plan and CSR targets for the upcoming 5 years. During the reporting period, the Company created a positive change through interventions in the areas of education, healthcare, rural infrastructure development, vocational training and on farm livelihood promotion.

**PRINCIPE 5: Businesses should respect and promote human rights.**

**ESSENTIAL INDICATORS**

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1,870	894	47.81%	1,821	125	6.86%
Other than permanent	343	-	-	107	-	-
<b>Total employees</b>	<b>2,213</b>	<b>894</b>	<b>40.40%</b>	<b>1,928</b>	<b>125</b>	<b>6.48%</b>
<b>Workers</b>						
Permanent	5,050	371	7.35%	5,363	588	10.96%
Other than permanent	5,271	-	-	4,789	-	-
<b>Total workers</b>	<b>10,321</b>	<b>371</b>	<b>3.59%</b>	<b>10,152</b>	<b>588</b>	<b>5.79%</b>



**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**
**2. Details of minimum wages paid to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>1,870</b>	-	-	<b>1,870</b>	<b>100%</b>	<b>1,821</b>	-	-	<b>1,821</b>	<b>100%</b>
Male	1,835	-	-	1,835	100%	1,788	-	-	1,788	100%
Female	35	-	-	35	100%	33	-	-	33	100%
<b>Other than Permanent</b>	<b>343</b>	-	-	<b>343</b>	<b>100%</b>	<b>107</b>	-	-	<b>107</b>	<b>100%</b>
Male	342	-	-	342	100%	107	-	-	107	100%
Female	1	-	-	1	100%	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	<b>5,050</b>	<b>257</b>	<b>5.09%</b>	<b>4,793</b>	<b>94.91%</b>	<b>5,363</b>	<b>280</b>	<b>5.22%</b>	<b>5,083</b>	<b>94.78%</b>
Male	5,044	257	5.10%	4,787	94.90%	5,357	280	5.23%	5,077	94.77%
Female	6	-	-	6	100%	6	-	-	6	100%
<b>Other than Permanent</b>	<b>5,271</b>	<b>3,081</b>	<b>58.45%</b>	<b>2,190</b>	<b>41.55%</b>	<b>4,789</b>	<b>2,895</b>	<b>60.45%</b>	<b>1,894</b>	<b>39.54%</b>
Male	5,225	3,081	58.97%	2,144	41.03%	4,736	2,893	61.09%	1,843	38.91%
Female	46	-	-	46	100%	53	2	3.77%	51	96.23%

**3. Details of remuneration/salary/wages:**

	Male		Female	
	Number	Median remuneration/salary/wages of respective category in ₹	Number	Median remuneration/salary/wages of respective category in ₹
Board of Directors (BoD)	7	20,00,000	1	21,25,000
Key Managerial Personnel (KMP)*	3	2,15,33,030	-	-
Employees other than BoD and KMP	1,832	8,95,080	35	9,53,876
Workers	5,044	2,19,302	6	2,02,633

\* includes 1 Managing Director & Chief Executive Officer.

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impact or issues caused or contributed to by the business?**

Yes.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

All grievances are addressed as and when received by the respective Manufacturing Unit Heads/Project Managers/Business Unit Heads through Admin in co-ordination with HR. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue/complaint. Whenever required, disciplinary actions are initiated as deemed fit and assistance from regulatory authority is sought.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	-	-	None	-	-	None
Discrimination at workplace	-	-	None	-	-	None
Child labour	-	-	None	-	-	None
Forced labour /Involuntary labour	-	-	None	-	-	None
Wages	-	-	None	-	-	None
Other human rights related issues	-	-	None	-	-	None

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy which empowers the Directors and the employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, if any. The Policy also provides for the requisite checks, balances and safeguards to ensure no employee is victimized who avail this mechanism and also provides direct access to the Chairman of the Audit Committee.

The Company also has in place a Policy on Prevention of Sexual Harassment ("POSH") of Women at the workplace. The said Policy aims at prevention of harassment of employees as well as contractors / vendors and lays down the guidelines for identification, reporting and prevention of any form of harassment. Concerns regarding any such incident can be addressed by reporting anonymously to the Internal Complaints Committee (ICC).

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes.

**9. Assessments for the year:**

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/Involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	100%

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

The Company has identified no risk with respect to human rights violation during the reporting period, hence no corrective actions were necessary to be taken.

**LEADERSHIP INDICATORS**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Since there were no human right grievances/complaints there were no changes made in business processes during the reporting period.

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)

### 2. Details of the scope and coverage of any human rights due diligence conducted.

BCL recognizes its fundamental responsibilities in respecting and protecting human rights and are committed to ensuring a diverse, inclusive and equitable work environment. The Company has implemented a "Compliance Management Framework" through Legatrix that not only provides user departments guidance on the checks and balances in line with the existing regulatory requirements, but also enable monitoring of the changing regulatory landscape. Internal audits are undertaken to verify compliances with statutory requirements, accordingly corrective and preventive actions are undertaken. The Company's jute division has received the SA 8000:2014 Certificate from Social Accountability International (SAI), demonstrating the effectiveness in adhering to and going beyond human right compliances as per applicable national regulations.

### 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the facilities provided by the Company to its employees in line with the Equal Opportunity Policy extends to the Company's visitors. For easy commute and movements within the Company's locations, adequate wheelchair facilities are available along with ramp structures.

### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Strict compliance of all the parameters of human rights is ensured in respect of 100% of the value chain partners working within our organization.
Discrimination at workplace	
Child labour	
Forced labour/Involuntary labour	
Wages	
Others	

### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable.

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

### ESSENTIAL INDICATORS

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY 2022-23	FY 2021-22
	MJ	MJ
Total electricity consumption (A)	2,342	1,563
Total fuel consumption (B)	20,050	21,642
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>22,392</b>	<b>23,205</b>
Energy intensity per rupee of turnover (Total energy consumption/per rupee of turnover)	412 KJ/INR	484 KJ/INR
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency- **No**.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Plant Name	Cycle No	Target (FY 2022-23) - Mtoe	Achievement (FY 2022-23)- Mtoe	Remedial actions
Satna	PAT- VII	2,97,631	2,69,906	The PAT targets which were set up at all Plants have been achieved.
Durgapur	PAT-VI	20,271	16,610	
Chandaria Cement Works, Chandaria	PAT- VII	2,64,452	2,52,122	
Birla Cement Works, Chandaria	PAT- II	69,726	67,434	

3. Provide details of the following disclosures related to water.

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	41,845	69,466
(ii) Groundwater	2,65,523	2,68,683
(iii) Third party water	1,42,854	62,645
(iv) Seawater/ desalinated water	-	-
(v) Others (Quarry water/Rainwater)	22,83,142	21,08,058
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	27,33,364	25,08,852
<b>Total volume of water consumption (in kilolitres)</b>	24,92,444	22,62,476
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	45.80 MI/INR	47.20 MI/INR
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No.**

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the manufacturing units of the Company have implemented mechanism for Zero Liquid Discharge. The treated wastewater from the effluent treatment plant is utilised for dust suppression and horticulture and plantation activities.

5. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NO <sub>x</sub>	Tonnes	5,322*	6,352
SO <sub>x</sub> **	Tonnes	226*	928
Particulate matter (PM)	Tonnes	328*	412
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

\*Dependence on CPP is reduced during the reporting period.

\*\*SO<sub>2</sub>.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No.**

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**
**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> -Metric tonnes of CO2 equivalent (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	48,31,919	48,46,541
<b>Total Scope 2 emissions</b> -Metric tonnes of CO2 equivalent (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	4,06,856	2,37,202
<b>Total Scope 1 and Scope 2 emissions</b> (per rupee of turnover)	96.20 gCO <sub>2</sub> eq/INR	106.10 gCO <sub>2</sub> eq/INR
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No.**

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

The Company reckons with the growing impact of climate change and have set forth in a low carbon journey by adopting proactive steps.

**Adopting energy efficient technologies** - The Company has adopted new technologies and upgraded existing infrastructure to reduce its energy intensity (details of such measures are available in Annexure - A of the Directors' Report).

**Enhancing green energy** - In this endeavor BCL has already installed Waste Heat Recovery Systems (WHRS) to the tune of 24 MW and integrated 12.5 MW of solar plants to source cleaner and greener forms of energy and are in the process of revamping the capacity to 25.3 MW and 17.5 MW respectively in the near future.

**Enhance use of Alternative Fuel Sources** - The Company has charted its plans to increase Thermal Substitution Rate (TSR) from the current level of 8.5% to 25% by 2026 as a strategic vision at its cement manufacturing units through increased sourcing and consumption of wastes of other industries as alternative fuels. The Company's jute division utilizes jute waste to generate electricity and steam at its captive power plants, thereby avoiding use of fossil fuels in operations.

**Reducing clinker factor in cement** - The Company identifies and utilizes alternative raw materials in the form of fly ash and slag to gradually reduce proportion of clinker in cement products, thereby reducing carbon footprint from calcination of limestone. The Company has also explored the feasibility for manufacturing of LC3 cement (future step towards reducing carbon emission).

**Removing emissions through offsets** - The Company has invested extensively in planting over 8.5 lakh trees and maintaining green cover in and around mining, plants and residential areas to enhance offsets on a year-on-year basis. The Company also plans to explore and evaluate opportunities to invest in carbon capture technologies that enable us to achieve carbon negative operations in the long term.

**Optimizing logistics transportation** - Reducing emissions across our value chain is equally important to address climate change. The Company applies digital and innovative technologies such as BTAP wagons and Integrated Logistics Management system to optimize routes, reduce turnaround time and thereby reduce its emissions.

**8. Provide details related to waste management by the entity:**

Parameter	FY 2022-23 (in MT)	FY 2021-22 (in MT)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)*	11.63	9.29
E-waste (B)	19.95	4.00
Bio-medical waste (C)	0.09	0.10
Construction and demolition waste (D)	-	-
Battery waste (E)	2.17	31.35
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	Used oil- 79.08 ETP Sludge- 0.90 Used Grease- 7.64	Used oil- 78.42 ETP Sludge- 0.86 Used Grease- 7.94
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Metal Scrap – 313.58 Rubber Scrap- 4.29 Carton- 38.07 Jute Waste (caddies) - 2,962	Metal Scrap – 397.33 Rubber Scrap-24.85 Carton-23.01 Jute Waste (caddies) - 2,670.50
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>3,439.40</b>	<b>3,247.65</b>

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**8. Provide details related to waste management by the entity: (Contd.)**

Parameter	FY 2022-23 (in MT)	FY 2021-22 (in MT)
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycle	87.75	55.93
(ii) Re-used	25.64	7.98
(iii) Other recovery operations	-	-
<b>Total</b>	<b>113.39</b>	<b>63.91</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
(i) Incineration	2,962.90	2,671.40
(ii) Landfilling	-	-
(iii) Other disposal operations	367.57	454.48
<b>Total</b>	<b>3,330.47</b>	<b>3,125.88</b>

\* Plastic waste generated from Jute division is disposed off through authorized recyclers.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No.**

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company recognizes that every material has an intrinsic value not only in its use phase but also at the end of life. The generation of any waste materials is a result of significant under utilization of resources and products. The intrinsic value can be unlocked through efficient and responsible management of waste.

While the Company's cement kilns offer a unique solution to address climate change by managing waste generated by societies and industries responsibly, it has made focused efforts within the boundary of its operations to segregate waste at source and conserve our natural resources through minimization of waste.

The following measures have been taken by the Company to manage significant waste in its operations:

Plastics (including packaging)	Plastic waste generated by Jute division is disposed off through authorized recyclers.
E-waste	The Company is not in the business of electronic consumer goods. However, the E-waste produced during the office operations is sold to the registered recyclers.
Hazardous waste	The hazardous waste generated is disposed through the registered recyclers or disposers having permissions from State Pollution Control Boards.
Jute waste	The Company utilizes in process jute waste as fuel for its captive power plant for the jute mill in Birlapur to generate steam and electricity.
Biodegradable waste	Biodegradable waste generated at our premises is converted to manure through automatic organic waste composting machine.
Other waste	Other non-hazardous waste such as steel scrap generated at the premises is recycled through authorized recyclers who provide valid certificates of the end use. Coal ash generated at captive power plants is utilized in-house as an additive to cement manufacturing.

While responsibly managing waste at source, BCL strives towards reducing utilization of harmful hazardous substances and chemicals. The Company's jute division procures material suppliers that are GOTS approved and have received the Oeko-Tex certification, thereby conforming their materials are free of banned substances such as hypochlorite and azo dyes.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The company has no operations/offices in/around any ecologically sensitive areas. All the operating plants are having EC as per Environment (Protection) Act & have a valid Consents for operations.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Environment Clearance for the expansion project of Durgapur Cement Works from the existing 1.3 MTPA to 2.8 MTPA through merger of Durga Hitech Cement and installation of one VRM Mill.	Terms of Reference (TOR) No. IA-J-11011/277/2020-IA-II(I) granted by MoEF & CC as per EIA notification dated 14th September, 2006 as amended.	04-11-2022	Yes	Yes	<a href="https://www.wbpcb.gov.in/files/Mo-07-2023-07-50-56ES%20Durgapur%20Cements.pdf">https://www.wbpcb.gov.in/files/Mo-07-2023-07-50-56ES%20Durgapur%20Cements.pdf</a>

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder. If not, provide details of all such non-compliances:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act and Environment Protection Act and Rules thereunder. There were no fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts during the reporting period.				

**LEADERSHIP INDICATOR**

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (in TJ)	FY 2021-22 (in TJ)
<b>From renewable sources</b>		
Total electricity consumption (A)	80	64
Total fuel consumption (B)	967	601
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>1,047</b>	<b>665</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	2,262	1,499
Total fuel consumption (E)	19,082	21,041
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>21,344</b>	<b>22,540</b>

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - No.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) To Surface water		
• No treatment	-	-
• With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
• No treatment	-	-
• With treatment – please specify level of treatment	-	-
(iii) To Seawater		
• No treatment	-	-
• With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
• No treatment	-	-
• With treatment – please specify level of treatment	-	-
(v) Others		
• No treatment	-	-
• With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No.**

**3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- i. **Name of the area:** Satna (Madhya Pradesh), Chanderia (Rajasthan).
- ii. **Nature of operations:** Manufacture of cement and clinker: Satna, Chanderia.  
Manufacture of steel castings: Satna.
- iii. **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	85,833	52,567
(iv) Seawater / desalinated water	-	-
(v) Others	22,83,142	21,08,058
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>23,68,975</b>	<b>21,60,625</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>23,68,975</b>	<b>21,60,625</b>
<b>Water intensity</b> per rupee of turnover (Water consumed / turnover)	61.07 MI/INR	64.39 MI/INR
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-



**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres): (Contd.)**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
• No treatment	-	-
• with treatment – please specify level of treatment	-	-
(ii) To Groundwater		
• No treatment	-	-
• with treatment – please specify level of treatment	-	-
(iii) To Seawater		
• No treatment	-	-
• with treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
• No treatment	-	-
• with treatment – please specify level of treatment	-	-
(v) Others		
• No treatment	-	-
• with treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No**.

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	BCL will explore scope of estimating Scope 3 emissions in the next financial year.	
<b>Total Scope 3 emissions per rupee of Turnover</b>			
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency - **No**.

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

Not Applicable.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

<b>S. No.</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along with summary)</b>	<b>Outcome of the initiative</b>
1.	Energy conservation initiatives at Raebareli Cement Works	<ul style="list-style-type: none"> <li>● Installed Variable Frequency Drive.</li> <li>● Compressed Air Power optimized.</li> <li>● Optimization of Power Consumption of Fly Ash collection Unit at NTPC Unchahar.</li> </ul>	Saving of ₹ 53.5 Lakhs achieved.
2.	Energy conservation initiatives at Satna Cement Works	<ul style="list-style-type: none"> <li>● Upgradation of existing CM-1 &amp; CM-1A BDC fan Slipring motor with Squirrel Cage Induction motor with VFD at SCW Mill House.</li> </ul>	Saving of ₹ 8.6 Lakhs achieved resulting from 1.74 Lakh units saved.
		<ul style="list-style-type: none"> <li>● Installation of Capacitor bank to improve power factor.</li> </ul>	Saving of ₹ 22 Lakhs achieved resulting from improving power factor to more than 0.995.
		<ul style="list-style-type: none"> <li>● Replacement of Turbine rotor with new upgraded design rotor.</li> </ul>	When 27 MW TPP operates at 25MW load, steam consumption reduced at from 4.36 Kg/kwh to 4.22 Kg/kwh & saved 16-17 MT/day coal.
3.	Energy conservation initiatives at Durgapur Cement Works (DCW)	<ul style="list-style-type: none"> <li>● Installation of VFD at packer.</li> <li>● Installation of AIRTRON Energy saver Controller at DHTC CCR, Server Room, Weigh Feeder and DCW MCC-3&amp;4.</li> <li>● Packer idle run arrested.</li> </ul>	Saving of 56.4 KW achieved.
4.	Energy conservation initiatives at Chanderia Cement Works (CCW) and New Chanderia Cement Works (NCCW)	<ul style="list-style-type: none"> <li>● Modification in Cooler hood and TAD to solve the problem of dust falling from CCW TAD bend and for saving in specific energy consumption.</li> </ul>	After this modification saving in specific heat consumption would be 5 - 8 kCal/kg of clinker.
		<ul style="list-style-type: none"> <li>● Direct feeding of crushed limestone from Crusher to OLBC.</li> </ul>	The new circuit bypassing the old system of crushed limestone pile formation and reclamation will result in cost saving of ₹ 2.43/T.
		<ul style="list-style-type: none"> <li>● Installation of system for clinker transport from CCW to BCW.</li> </ul>	Commissioning of this system will result in reduction in material transportation costs and improvement in environment.
		<ul style="list-style-type: none"> <li>● Installation of system for fine coal transfer from NCCW to CCW Plant.</li> </ul>	After this system is taken in circuit, there will be reduction in specific power consumption in coal grinding at CCW Plant.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
5.	Enhancing use of green power in operations	<ul style="list-style-type: none"> <li>Installation of additional 5 (3 + 2) MW Solar Plant.</li> <li>Installation of new 1 MW Solar Power Plant at Chanderia.</li> </ul>	Reduction in fossil fuel consumption.
		<ul style="list-style-type: none"> <li>Liquid Waste Fuel Firing to Calciner at Chanderia.</li> </ul>	In-house system similar to CCW Plant has been installed in NCCW Plant for firing liquid waste to calciner and trial taken. Installation of shed for both liquid firing pump and extension of solid AFR shed work is in progress.
		<ul style="list-style-type: none"> <li>Up-gradation of solid AFR feeding system at Chanderia.</li> </ul>	Achieve TSR of 15%.
6.	Expansion & Modernization including Plant Optimization and Infrastructure development at Chanderia	<ul style="list-style-type: none"> <li>Replacement of two AFBC boilers with CFBC boilers at 27 MW CPP.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigation of latest emission norms (SO<sub>2</sub>, NO<sub>x</sub>, PM).</li> <li>Less Lol in the fly-ash.</li> <li>High degree of fuel flexibility based on higher GCV.</li> <li>Reduction of plant heat rate.</li> <li>Higher boiler efficiency.</li> <li>Low generation cost.</li> </ul>
		<ul style="list-style-type: none"> <li>Installation of system for fly ash feeding in CM-1 at CCW.</li> </ul>	This system will result in improvement in fly ash usage percentage in cement grinding thereby decreasing the pressure on fly-ash sourcing which is becoming costlier and challenging day-by-day.
7.	Energy conservation measures at Jute division	<ul style="list-style-type: none"> <li>Replacement of 6 nos Twisting Machines old motors of 22.4 kw each with energy efficient motor of 14.9kw each.</li> <li>Replacement of 12 nos Spinning Machines old motors of 18.7 kw each with energy efficient motor of 14.9kw each.</li> <li>Replacement of 4 nos Tubewell pump motors of 14.9 kw each with energy efficient motor of 9.3 kw each.</li> </ul>	Reduction in energy consumption.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.**

The Company's Business Continuity Plan (BCP) is an essential part of risk management strategy which includes contingent planning for human resources, assets & business processes, natural disasters—weather-related events, flood, fire, cyber and virtual attacks, operations risks, supply chain risks, finance, health and safety, among others and any other aspects that could be affected by downtime or failure. The Company captures these risks as part of the risk identification and mitigation process and considers the impact thereof while making business decisions.

BCP includes a detailed step-by-step guide that outlines:

- the specific response
- the responsible people for the response
- key responsibilities
- timelines that highlight when the responses are to be executed

The Company has also developed site specific emergency plan with disaster management plan, which streamlines procedures to timely contain the incident, minimize casualties and prevent further injuries in the occurrence of any flood, cyclone, earthquake or fire hazard along with individual roles and responsibilities.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

The Company recognizes the environmental risks associated with its product and value chain of the entity. Company ensures value chain adheres to applicable environmental permissions (Consents for activity and PUC for logistics partners). To mitigate these risks the Company invests on the latest technologies and innovations. It has made concerted efforts towards enhancing the proportion of blended cements, which comprise more than 90% of the product portfolio. The Company has also invested on ILMS, an inhouse management software that defines the optimized way for movement of products to customers by reducing the empty mile runs of vehicles by connecting the nearest vehicle for transport and movement. This software has helped BCL to optimize its fleet management and increase competency for syncing the availability of trucks in line with orders.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

The Company has not undertaken any physical assessment of the value Chain partners. However, the Company ensures 100% value chain members adhere to applicable environmental permissions.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**ESSENTIAL INDICATORS**

**1. a. Number of affiliations with trade and industry chambers/associations.**

BCL is part of the following 9 associations listed below.

**b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chamber of Commerce	National
2	Global Cement and Concrete Association	National
3	Cement Manufacturers Association	National
4	Coal Consumers Association of India	National
5	Confederation of Indian Industry	National
6	National Safety Council	National
7	Indian Jute Mills Association	National
8	India Jute Industries Research Association	National
9	Jute Products Development & Export Promotion Council	National

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

**LEADERSHIP INDICATORS**

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others please specify)	Web Link, if available
The Company has not resorted to any such advocacy for or against any policies.					

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**
**ESSENTIAL INDICATORS**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Company was not mandated to undertake Social Impact Assessments (SIA) for any site during the F.Y. 2022-23.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in `)
The Company has no ongoing Rehabilitation and Resettlement (R&R) at any site.						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company aims to support underprivileged communities through its CSR initiatives, in a way that is both considerate and effective, with the goal of improving their quality of life. The Company's employees involved in CSR activities interact with the community to ensure seamless implementation of the CSR programmes and listen to any concerns as a result of any shortfall in execution or negative impacts of the operations. The CSR committee of BCL closely monitors the implementation process and ensures that any concerns raised by community members are promptly resolved.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	4.95%	4.87%
Sourced directly from within the district and neighbouring districts	25.97%	35.00%

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**LEADERSHIP INDICATORS**

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (in ₹)
1	Bihar	Gaya	2,10,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No.

- (b) From which marginalised / vulnerable groups do you procure?

Not Applicable.

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**
**6. Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	<b>Theme: Healthcare, Hygiene &amp; Sanitation</b> A- Mother & Child Health (ANKURAM) B- Free Health check-up camps (AROGYA)	26,734	100%
2	<b>Theme: Promote Education (Shikshya Saarathi)</b> A- Support Government Schools B- Running free primary school for under privileged	15,730	90%
3	<b>Theme: Livelihood &amp; Women Empowerment (Samridhhi)</b> A- Farm & Non-farm based livelihood programme B- SHG Development Programme	3,429	100%
4	<b>Theme: Vocational Training (Saksham)</b> A- Skill based training programme B- Enterprise development	362	100%
5	<b>Theme: Environment &amp; Energy</b> A- Promote renewable energy/ social forestry (HARIT URJJAA) B- Watershed Activities (JAL- DHAARA)	30,000	90%
6	<b>Theme: Rural Infra Development</b> A- Community Infra-Development	23,926	90%

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

**ESSENTIAL INDICATORS**
**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customers have multiple options for raising complaints based on convenience and from the comfort of their home and offices. These include toll free number, emails, social media, website and registering complaint to the technical services team. The complaints received are dealt jointly by the Sales and the Technical team of the respective divisions through a detailed investigation process. The Company's cement division is in the process of integrating the C4C-CRM Application for an effective oversight of the complaint handling and management process.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100% of the Company's products conform to the applicable statutory parameters.
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	None	-	-	None
Advertising	-	-	None	-	-	None
Cyber-security	-	-	None	-	-	None
Delivery of essential services	-	-	None	-	-	None
Restrictive Trade Practices	-	-	None	-	-	None
Unfair Trade Practices	-	-	None	-	-	None
Others	276	5	None	193	-	None

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**4. Details of instances of product recalls on account of safety issues:**

	<b>Number</b>	<b>Reasons for recall</b>
Voluntary recalls	-	Not Applicable
Forced recalls	-	Not Applicable

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has a cyber security framework in place and has put in mechanisms for tackling and mitigation of cyber risks and data privacy threats. The framework is crucial in safeguarding the business processes against potential security breaches and preventing any misuse of customer data.

The IT Head assures that IT security processes and systems are implemented effectively by educating the staff on a regular basis via email about the risks posed by cyber incidents and the steps that can be taken to mitigate them. Annually, BCL conducts a vulnerability assessment on all the critical assets and on a recurring basis, a third party audits our system effectiveness, processes, maturity and practices to ensure their efficiency.

BCL's privacy policy available on [www.birlacorporation.com/privacy-policy.html](http://www.birlacorporation.com/privacy-policy.html) outlines processes to manage safe data collection, processing and storage management for ensuring no leakage of information, access to third parties, unauthorized access or loss of any information or stored data.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

The Company has observed no such instances in the reporting year relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

**LEADERSHIP INDICATORS**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The Company communicates its product offerings through advertisements, product launches, promotional features on social media and awareness campaigns. The Company's cement division leverages various in-house digital platforms such as:

- **Mr. Perfect:** AI powered virtual assistant where customers can come and interact with the Company to find detailed information about products and services.
- **Armaan Nirman:** An influencer App to order product and get different offer benefits.
- **Akanksha:** Loyalty programme for engineers and architect.

The details about these products are also available at the website at <https://www.birlacorporation.com/index.html>.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

- Promotion of good construction practices and good product usage during meetings.
- Skill building workshops for masons, contractors.
- Mobile concrete lab testing services for concrete testing.
- Good construction practices development available on YouTube, website etc.
- Site services to educate customers on right construction methodologies and practices.
- Sharing of third-party test reports (if required) with customers and influencers.



**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2022-2023 (Contd.)**

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company's product portfolio does not fall under Essential Services Maintenance.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Yes, the Company ensures product packaging and information are as per the BIS regulations.

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the Company engages with customers through various platforms including social campaigns and loyalty programs to understand their requirements and tailor our products as per their needs. Brand Equity Surveys are conducted periodically to gauge the health of its brand to proactively increase customer satisfaction level.

**5. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches along with impact: Nil
- b. Percentage of data breaches involving personally identifiable information of customers: Not Applicable

-----End of Report-----

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The philosophy of Birla Corporation Limited ("Company") on Code of Governance is aimed at creating and nurturing a valuable bond with stakeholders to maximize stakeholders' value. The Company has always believed in achieving the highest levels of transparency, integrity, fairness and accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the government. Corporate Governance is an integral part of the values, ethics and business practices followed by the Company. The Company believes that Corporate Governance is a voluntary and self discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to the stakeholders' needs.

Over the years, Company has strengthened relationship with its stakeholders in a manner that is dignified, distinctive and responsible. The Company continues to review and benchmark the corporate governance practices of the Company against best practices. Focus of the Company has always been to ensure continuing value creation for each of its stakeholders and above all to achieve business excellence with the goal of long-term sustainable development.

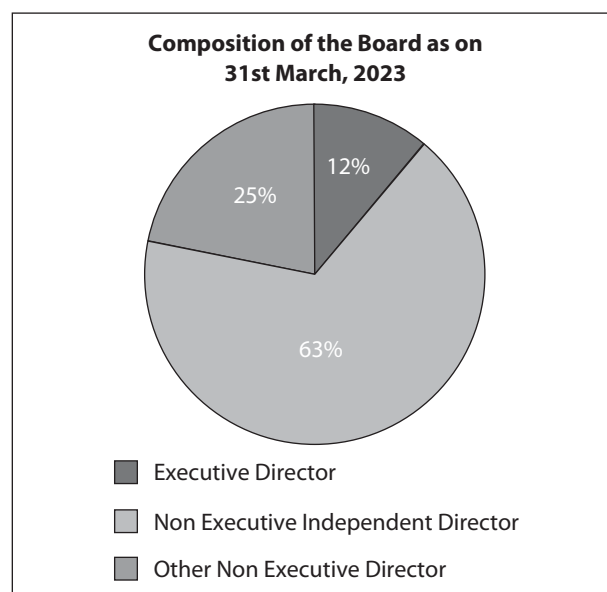
A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as ("**Listing Regulations**"), for the year ended 31st March, 2023 is given below:

### 2. BOARD OF DIRECTORS:

#### Board Composition:

The Board of Directors ("Board") of the Company comprises of an optimum combination of Executive and Non-Executive Directors with Independent Directors forming majority which not only meet the legal obligation but also make a diversified Board with a mixed blend of experience, expertise and professionals.

The strength of the Board of Directors of the Company as on 31st March, 2023, is 8 (Eight). Of the 8 (Eight) Directors, 1 (One) is an Executive Director and 7 (Seven) i.e. more than 50% are Non-Executive Directors out of which 5 (Five) are Independent Directors including 1 (One) Independent Woman Director. The Chairman of the Board is a Non-Executive Director and is not related to the Managing Director & Chief Executive Officer of the Company. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.



As per the declarations received from the Directors:

- None of the Directors of the Company are Members of more than 10 (Ten) Committees (i.e. Audit Committee and Stakeholders Relationship Committee) and Chairman of more than 5 (Five) such Committees as specified in Regulation 26 of the Listing Regulations.
- None of the Directors of the Company holds directorship in more than 10 (Ten) public companies and in more than 7 (Seven) listed Companies or serves as an Independent Director in more than 7 (Seven) listed companies.
- Managing Director & Chief Executive Officer of the Company do not serve as Independent Director of any listed company.

#### Profile of Board of Directors:

The Company believes that an active, well-informed and independent board is necessary to ensure adherence of highest standards of Corporate Governance. The Board of Directors of the Company is well informed and well equipped to discharge its overall responsibilities and provide the management with the strategic direction, catering to exigency of long term shareholders value.

The Board of Directors is composed of highly renowned professionals drawn from diverse fields, who bring with them a wide range of skill and experience to the Board, which enhances the quality of the Board's decision making process.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The brief profile of the Company's Board of Directors is as under:

**Shri Harsh V. Lodha, Chairman of the Company**, has over 37 years of experience in the fields of business, finance, advisory and consultancy. He is the Chairman of Birla Corporation Limited, RCCPL Private Limited, Universal Cables Ltd., Vindhya Telelinks Ltd., Birla Cable Limited, Birla Furukawa Fibre Optics Pvt. Ltd. and Hindustan Gum & Chemicals Limited. He also serves as Trustee and Managing Committee Member of many social and philanthropic organizations. He is the executive committee member of the Indian Chamber of Commerce. He has served as the member of the executive committee of FICCI and served as the Co-Chairman of its Young Leaders Forum amongst other committees and also on the Managing Committee of Assocham. He has been a member of the Accounting Standards Board of the Institute of Chartered Accountants of India and on the board of several other leading companies in the past.

Apart from handling audits of several large publicly quoted companies in India amongst other professional work, he has been involved in several advisory assignments in the fields of international takeovers and financing, domestic financing, project structuring, capital mobilisation, joint ventures/collaborations, mergers/reconstructions and rehabilitation.

Shri Lodha has served as the Honorary Consul of the Government of Romania for West Bengal, Orissa and Bihar and as Vice Consul of the Republic of Philippines for Eastern India.

**Shri Vikram Swarup, Independent Director**, is the Chairman-cum-Managing Director of Paharpur Cooling Towers Limited. He is a Mechanical Engineer and is an acknowledged authority on thermal design of cooling towers in India. He has vast experience in Marketing, Engineering and other General Management functions. He is the Vice Chairman of Kalyan Bharti Trust which owns and operates The Heritage Group of Educational Institutions in Kolkata, Chairman of the School Management Committee of The Heritage School and Vice Chairman of the Board of Governors of the Heritage Institute of Technology. He is also on the Executive Committee of the Indo-Italian Chamber of Commerce & Industries.

**Shri Anand Bordia, Independent Director**, Member of the Indian Revenue Service (Retd.), held senior positions in the Central Government such as, Director Audit, Indian Customs and Central Excise, Member Finance, National Highways Authority of India. He worked in the Secretariat of the World Customs Organization, Brussels, Belgium. He undertook

consultancy projects for the Harvard Institute for International Development, UNODC and Asian Development Bank.

**Shri Dhruba Narayan Ghosh, Independent Director**, was the former Secretary to the Govt. of India and a former Chairman of State Bank of India. He was the Founder Chairman of ICRA Ltd., the premier Rating Agency and former Chairman of Larsen & Toubro Ltd., Philips (India) Ltd. and the Management Development Institute, Gurgaon and Founder Chairman of the Indian Institute of Management, Lucknow.

**Dr. Deepak Nayyar, Independent Director**, is an eminent economist and Emeritus Professor of Economics at Jawaharlal Nehru University. Earlier, he taught at the University of Oxford, University of Sussex and IIM Calcutta. More recently, he was Distinguished University Professor of Economics at the New School of Social Research, New York. He is the Chairman of the Board of the Institute of Development Studies, Sussex, in the UK. He was a Rhodes Scholar at Oxford and is Honorary Fellow, Balliol College, Oxford. He served as Chief Economic Adviser to the Government of India and Secretary, Ministry of Finance. He also served as Vice Chancellor, University of Delhi. He has published 18 books and more than 100 papers in academic journals. Dr. Nayyar was an Independent Director on the Board of the State Bank of India, ICRA, SAIL and ONGC. He is, at present, on the Board of The Press Trust of India Limited.

**Smt. Shailaja Chandra, Independent Woman Director**, was a Member of the Indian Administrative Service (IAS) who distinguished herself in several assignments including as Secretary in the Ministry of Health and later as Delhi's only woman Chief Secretary. Apart from 15 years of service with the Central Government where she held assignments in the Ministries of Defence, Power and Health, she had been posted in Maharashtra, Manipur, Goa, Delhi and the Andaman & Nicobar Islands.

After retirement, Smt. Chandra held a series of assignments carrying full-time responsibility including as the Chairman of the Public Grievances Commission and Appellate Authority under the Delhi Right to Information Act and as the first Executive Director of the National Population Stabilisation Fund, under the Ministry of Health & Family Welfare.

She was a full-time member of the Yamuna Monitoring Committee set up by the National Green Tribunal until early 2021. She continues to be on the Boards and Management Committees of listed Indian companies and Apex level NGOs working for women's and children's welfare.

Recently she was conferred an honorary degree of Doctor of Literature by the University of Transdisciplinary Health Sciences & Technology, Bengaluru.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**Shri Dilip Ganesh Karnik, Non-Independent Non-Executive Director**, Arbitrator and Legal Consultant, retired as a Judge of Bombay High Court in May 2012. He was elevated as Additional Judge of the Court in October 2001. A practicing advocate from 1972 to 2001, he was a Gold Medalist in Law from the University of Pune. He is currently serving on the Board of the ICICI group of companies and M.P. Birla group of companies.

**Shri Sandip Ghose, Managing Director & Chief Executive Officer**, is a Business Leader and General Management professional with multi-disciplinary skill sets. He has nearly four decades of experience and held a variety of senior leadership positions in industries, ranging from Consumer Goods (FMCG), Media and Cement, across India and Nepal. He is a qualified Chartered Accountant and Professional Coach accredited by the International Coach Federation.

A prolific commentator on current affairs, he is an invited columnist in several print and on-line publications and guest on leading TV News and Business channels. He is a strong believer in the India growth story and passionate about mentoring and developing leaders for the future.

**Directors' induction, familiarisation and training:**

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility.

Any new Director who joins the Board is presented with a brief background of the Company and its operations. While inducting a Director on the Board, a formal letter of appointment is issued to such Director which, inter-alia, explains the role, functions, duties and responsibilities of the Director and the Board's expectations from him/her. A specimen thereof has been posted on the website of the Company which can be accessed at link <https://www.birlacorporation.com/letter-of-appointment.pdf>. The requirement of obtaining declarations from the Directors under the Companies Act, 2013, Listing Regulations and other relevant regulations are also explained in detail to the Directors and necessary affirmations are received from them in respect thereto.

Senior Management Personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. Directors are regularly briefed about the industry specific issues to enable them to understand the business environment in which the Company operates. To enhance their skills and knowledge, the Directors are regularly updated on the changes in the policies, laws and regulations and other developments in the business environment. The Board Members are provided necessary

documents, reports and other various presentations from time to time.

Efforts are also made to familiarise the Directors about their roles, rights, responsibility in the Company, its business model and the environment in which the Company operates.

The details of such familiarisation programmes have been placed on the website of the Company at <http://www.birlacorporation.com/directors-induction.html>.

**Meetings, attendance and agenda of the Board Meetings:**

During the financial year 2022-2023, 7 (Seven) Meetings of the Board of Directors of the Company were held on 22nd April, 2022 and 23rd April, 2022 (Strategy Meeting); 11th May, 2022; 6th August, 2022; 16th September, 2022; 8th November, 2022; 14th December, 2022 and 4th February, 2023. The time gap between two consecutive board meetings did not exceed one hundred and twenty days.

The Company's Board plays a pivotal role in ensuring good governance and functioning of the Company. Members of the Board freely express their views on the meeting agenda and discuss pertinent issues at the meeting with the permission of the Chairman. They provide valuable guidance and advice on various aspects of business, policy, direction, strategy, governance and compliance. The Board is kept updated on regulatory/statutory amendments applicable to the Company.

The Company pursuant to the provisions of Companies Act, 2013 read with the relevant rules made thereunder, has provided the facilities to the Directors for their participation in Board/Committee Meetings through video conferencing or other audio visual mode. Meetings are governed by a structured agenda which are circulated to the Directors in advance. All the agenda items are backed by comprehensive background information and documents to enable the Board to take informed decisions. In special and exceptional circumstances, additional item(s) are also considered with the permission of the Chairman and with the consent of all the directors present at the meeting. In urgent situations, the resolution may also be passed by circulation in accordance with applicable laws, and these are then confirmed during the subsequent meeting. The Executive Director, Chief Executive Officer, Chief Financial Officer, Executive Presidents, Presidents of the Company makes presentation on the quarterly and annual financial performance and on annual operating and capex budget, as and when required. Presentations relating to major projects for which Board's approval are sought are also made. Post meetings, important decisions taken by the Board are communicated to the concerned officials and departments. The Board is also kept updated about the developments on various functional areas. The Draft minutes are prepared and circulated to all the

## REPORT ON CORPORATE GOVERNANCE (Contd.)

Directors for their comments. The finalised Minutes after duly incorporating the comments of the Directors are entered in the Minutes Book and thereafter signed by the Chairman, in due compliance with the applicable provisions of the Companies Act, 2013 and the Secretarial Standards.

The details of Directors on the Board, their relationship with other Directors, their attendance at the Board Meetings as well

as at the Annual General Meeting held during the financial year 2022-2023 (either in person or through Video Conferencing/Other Audio Visual Means), number of Directorships and Committee Memberships/ Chairmanships in other Companies, name of other listed companies in which the Director is a Director and number of shares held by them in the Company as on 31st March, 2023 are as follows:

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM held on 27.09.2022	No. of shares held	No. of other Directorship <sup>§</sup>	Details of other Board Committee / Membership <sup>#</sup>		List of Directorship held in Other Listed Companies and Category of Directorship
						Member	Chairman	
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive	7	P	1260*	7	-	-	1. Alfred Herbert (India) Ltd, (NED) 2. Birla Cable Ltd., (NED) 3. Universal Cables Ltd., (NED) 4. Vindhya Telelinks Ltd., (NED)
Shri Vikram Swarup	Independent Non-Executive	7	P	500*	6	4	-	1. Jay Shree Tea & Industries Limited (ID)
Shri Anand Bordia	Independent Non-Executive	7	A	500*	2	1	-	1. Roto Pumps Ltd., (ID)
Shri Brij Behari Tandon <sup>@</sup>	Independent Non-Executive	-	-	-	-	-	-	None
Shri Dhruba Narayan Ghosh	Independent Non-Executive	7	A	500*	1	-	-	None
Dr. Deepak Nayyar	Independent Non-Executive	5	A	500*	1	1	-	None
Smt. Shailaja Chandra	Independent Non-Executive	7	A	500*	3	3	1	1. Fortis Healthcare Limited (ID) 2. Fortis Malar Hospitals Limited (ID)
Shri Dilip Ganesh Karnik	Non-Independent Non-Executive	7	A	500	5	4	-	1. ICICI Prudential Life Insurance Co. Ltd., (ID) 2. Universal Cables Ltd., (NED) 3. Vindhya Telelinks Ltd., (NED)
Shri Arvind Pathak (Managing Director & Chief Executive Officer) <sup>&amp;</sup>	Executive	6	P	-	-	-	-	None
Shri Sandip Ghose (Managing Director & Chief Executive Officer) <sup>^</sup>	Executive	2	NA	500	-	-	-	None

P= Present, A= Absent, NED= Non-Independent Non-Executive Director, ID= Independent Non-Executive Director

<sup>@</sup> Shri Brij Behari Tandon ceased to be the Director w.e.f. 11th May, 2022.

<sup>&</sup> Shri Arvind Pathak ceased to be the Director and simultaneously as the Managing Director & Chief Executive Officer w.e.f. 31st December, 2022.

<sup>^</sup> Shri Sandip Ghose was appointed as an additional director w.e.f. 1st December, 2022 and simultaneously as Wholetime Director for the period from 1st December, 2022 to 31st December, 2022 and thereafter elevated as Managing Director & Chief Executive Officer w.e.f. 1st January, 2023. Subsequently, his appointment was approved by the shareholders through Postal Ballot on 14th January, 2023.

<sup>\*</sup> Shares held jointly with other shareholder.

<sup>§</sup> As per the disclosure received from the respective directors and excludes Alternate Directorships, Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

<sup>#</sup> Only covers Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee of other Public Limited Companies. Further, membership includes positions as chairperson of Committee.

None of the Directors are related to any other Director on the Board.

The requisite quorum was present at all the Board and Committee Meetings.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:**

The Board comprises of persons of repute with strength of character and professional eminence who bring a wide range of experience and expertise by providing leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management

adheres to high standards of ethics, transparency and disclosure.

The brief profile of Directors forming part of this Report gives an insight into the education, expertise, skills and experience of the Directors, thus bringing in diversity to the Board's perspectives.

The Board of Directors have identified the following core skills/expertise/competencies fundamental for the effective functioning of the Company, which are currently available with the Board:

Skills and its description	Shri Harsh V. Lodha	Shri Vikram Swarup	Shri Anand Bordia	Dr. Deepak Nayyar	Shri Dhruba Narayan Ghosh	Smt. Shailaja Chandra	Shri Dilip Ganesh Karnik	Shri Sandip Ghose
Understanding the business and domain knowledge of Industry	✓	✓	✓	✓	✓	✓	✓	✓
Strategic Planning and Development	✓	✓	✓	✓	✓	✓	-	✓
Financial expertise	✓	✓	✓	✓	✓	✓	-	✓
Risk Management	✓	✓	✓	-	✓	✓	✓	✓
Industrial Relationship Management including Labour and Environment, Health and Safety	✓	✓	-	-	-	✓	-	✓
Legal knowledge & expertise	✓	✓	-	✓	-	✓	✓	✓
Governance, Statutory and other Compliances	✓	✓	✓	✓	-	✓	✓	✓
Project Management- Adopting best practices	✓	✓	✓	-	-	-	-	✓
General Administration	✓	✓	-	✓	-	✓	✓	✓
Human Resource Development	✓	✓	✓	✓	-	✓	-	✓
Social sciences of health, Demographics and Education	-	-	-	-	-	✓	-	✓
Economic Analysis and Evaluation	-	-	-	✓	-	✓	-	✓

**Independent Directors confirmation by the Board:**

All Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Companies Act, 2013 and that they are independent of the management.

**Information Placed before Board of Directors:**

The Company has complied with Part A of Schedule II of the Listing Regulations read with Regulation 17(7) of the said Regulations with regard to information to be placed before the Board of Directors.

**Code of Conduct:**

The Board of Directors has laid down a Code of Conduct for the Directors, Senior Management and the Management Team of the Company. The Code of Conduct has been placed on the website of the Company which can be accessed at <https://www.birlacorporation.com/investors/code-of-conduct/code-of-conduct-director-and-senior-management.pdf>

## REPORT ON CORPORATE GOVERNANCE (Contd.)

All Board members and senior management personnel have affirmed their adherence to the provisions of the said Code of Conduct during the year 2022-2023.

A declaration to this effect signed by the Managing Director & Chief Executive Officer in terms of the Listing Regulations is attached to this report and forms part of the Annual Report of the Company.

### Code of Conduct of Independent Directors:

As per the provisions of Section 149(8) of the Companies Act, 2013, the Company and Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013. Further, Schedule IV lays down a Code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has formulated a Code for Independent Directors of the Company and the same has also been placed on the website of the Company which can be accessed at link: <https://www.birlacorporation.com/investors/code-of-conduct/code-of-conduct-independent-directors.pdf>

### Board Committees:

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purposes.

The Board has the following Committees:

- i. Audit Committee.
- ii. Nomination and Remuneration Committee.
- iii. Stakeholders Relationship Committee.
- iv. Committee of Directors.
- v. Corporate Social Responsibility Committee.
- vi. Risk Management Committee.

### 3. AUDIT COMMITTEE:

- 3.1 The Company has a qualified and independent Audit Committee in place. The role and terms of reference of the Committee are as laid down under Section 177 of the Companies Act, 2013 read with the rules framed thereunder and Regulation 18 read with Part C of Schedule II of the Listing Regulations. The Committee acts as a link between the Auditors and the Board of Directors.
- 3.2 The extract of terms of reference of the Audit Committee inter-alia includes the following:
  1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Evaluation of internal financial controls and risk management systems;
6. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, at least once in a financial year;
7. To perform such other functions as may be delegated by the Board and/ or mandated by any regulatory provisions from time to time.

- 3.3 During the year 2022-2023, 4 (Four) meetings of the Audit Committee of the Company were held on 10th May, 2022, 5th August, 2022, 7th November, 2022 and 3rd February, 2023. The time gap between any two consecutive meetings did not exceed one hundred and twenty days. The composition of the Committee and the attendance of members of the Committee during the year 2022-2023 are as under:

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	4
Shri Anand Bordia	Independent Non-Executive Director	4
Shri Brij Behari Tandon*	Independent Non-Executive Director	-
Dr. Deepak Nayyar	Independent Non-Executive Director	3
Smt. Shailaja Chandra#	Independent Non-Executive Director	2
Shri Arvind Pathak&	Executive Director	1
Shri Sandip Ghose^	Executive Director	1

\* Shri Brij Behari Tandon ceased to be the member w.e.f. 11th May, 2022.

# Smt. Shailaja Chandra appointed as the member w.e.f. 6th August, 2022.

& Shri Arvind Pathak appointed as the member w.e.f. 6th August, 2022 and ceased to be the member w.e.f. 31st December, 2022.

^ Shri Sandip Ghose appointed as the member w.e.f. 1st January, 2023.

As on 31st March, 2023, more than two-third Members of the Audit Committee are Non-Executive Independent Directors including the Chairman. As per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, all Members of the Audit Committee including the Chairman are financially literate and have expertise in accounting or related financial management.

The Executive Directors, Chief Management Advisor, Chief Financial Officer, Executive Presidents, Presidents, Head of Management Audit Department and representatives of the

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

Statutory Auditors are invited to the Audit Committee Meetings as and when required. Internal Auditors are also invited for discussion with the Audit Committee Members. The Cost Auditors appointed by the Company under Section 148 of the Companies Act, 2013 attend the Audit Committee Meeting, where cost audit reports are discussed.

During the year under review, in terms of SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2019/121 dated 4th November, 2019, the Audit Committee held a meeting with the Credit Rating Agencies to discuss issues including related party transactions, internal financial control and other material disclosures made by the management, which have a bearing on rating of the listed Non-Convertible Debentures.

The Company Secretary acts as the Secretary of the Audit Committee.

The minutes of the meetings of the Audit Committee are placed before and noted by the Board. All recommendations made by the Audit Committee were accepted by the Board of Directors of the Company during the financial year 2022-2023.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 27th September, 2022.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

- 4.1 The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Para A of Part D of Schedule II of the Listing Regulations.
- 4.2 The extract of terms of reference of the Nomination and Remuneration Committee inter-alia includes the following:
- i) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and other employees;
  - ii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
  - iii) Devising a policy on Board diversity;
  - iv) To affirm compliance with the provisions of Schedule V to the Companies Act, 2013;
  - v) Perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.
- 4.3 During the year 2022-2023, 4 (Four) meetings of the Nomination and Remuneration Committee of the Company were held on 10th May, 2022, 16th September, 2022, 7th November, 2022 and 14th December, 2022. The composition

of the Committee and the attendance of members of the Committee during the year 2022-2023 are as under:

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	4
Shri Harsh V. Lodha	Non-Independent Non-Executive Director	4
Shri Anand Bordia	Independent Non-Executive Director	4
Shri Brij Behari Tandon*	Independent Non-Executive Director	-
Dr. Deepak Nayyar	Independent Non-Executive Director	2

\* Shri Brij Behari Tandon ceased to be the member w.e.f. 11th May, 2022

As on 31st March, 2023, the Nomination and Remuneration Committee consisted of four members, all of them are Non-Executive Directors.

The minutes of the meetings of the Nomination and Remuneration Committee are placed before and noted by the Board. All recommendations made by the Nomination and Remuneration Committee were accepted by the Board of Directors of the Company during the financial year 2022-2023.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 27th September, 2022.

**4.4 Nomination and Remuneration Policy:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Nomination and Remuneration Policy for Directors and Senior Management, the details of which forms part of the Directors' Report.

**4.5 Performance Evaluation criteria:**

The Nomination and Remuneration Committee of the Board approved the criteria for determining qualifications, positive attributes and independence of Directors in terms of the Companies Act, 2013 and the Rules made thereunder and Listing Regulations, both in respect of Independent Directors and other Directors as applicable. The details in this regard are covered in the Directors' Report.

**4.6 Succession Planning:**

The Nomination and Remuneration Committee works with the Board on succession plan to ensure orderly succession in appointments to the Board and in the Senior Management. The Company strives to maintain an appropriate skills, expertise and experience within Board of Directors and the organisation to introduce new perspectives while maintaining experience and continuity.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

### 4.7 Details of remuneration paid/payable to the Executive/ Non-Executive Directors during the financial year ended 31st March, 2023:

#### (a) Shri Arvind Pathak, Managing Director & Chief Executive Officer till 31st December, 2022:

(₹ in Lakhs)

Name	Salary	Perquisites and Allowances	Sitting Fees	Performance Linked Bonus	Total amount paid/payable in 2022-2023	Period of Service Contract	Notice period
Shri Arvind Pathak	99.30	207.47	-	52.50	359.27	3 Years w.e.f. 31.03.2021	3 months' notice period

#### (b) Shri Sandip Ghose, Wholetime Director for the period from 1st December, 2022 to 31st December, 2022 and Managing Director & Chief Executive Officer w.e.f. 1st January, 2023:

(₹ in Lakhs)

Name	Salary	Perquisites and Allowances	Sitting Fees	Performance Linked Bonus	Total amount paid/payable in 2022-2023	Period of Service Contract	Notice Period	Severance Fees
Shri Sandip Ghose	56.00	94.02	-	40.00	190.02	3 Years w.e.f. 01.01.2023	3 months' notice period	Minimum of 12 months of Fixed Cost or full compensation of balance tenure, whichever is less.

During the financial year 2022-2023, the Company had paid remuneration(s) to Shri Arvind Pathak and Shri Sandip Ghose, in excess of the permissible limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V, which are subject to approval of Shareholders in accordance with the provisions of the Companies Act, 2013 and any other laws as may be applicable in the forthcoming Annual General Meeting of the Company.

#### (c) Non-Executive Directors:

The details of the commission and sitting fees paid/payable to Non-Executive Directors for the financial year 2022-2023 are given below:

(In ₹)

Name	Commission (Relating to financial year 2022-2023)	Sitting Fees
Shri Harsh V. Lodha*	-	10,00,000
Shri Vikram Swarup	10,00,000	15,50,000
Shri Anand Bordia	10,00,000	14,25,000
Shri Dhruba Narayan Ghosh	10,00,000	8,50,000
Dr. Deepak Nayyar	10,00,000	10,00,000
Smt. Shailaja Chandra	10,00,000	11,25,000
Shri Dilip Ganesh Karnik	10,00,000	8,00,000

\* Shri Harsh V. Lodha, Chairman of the Company has decided

not to accept any commission and foregone his rights for the financial year 2022-23 also, in view of uncertain economic scenario, unprecedented increase in fuel prices and the impact of the same on the profitability of the Company.

Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the meetings of the Board and Committees of the Board. The Non-Executive Directors including Independent Directors are also paid commission, the amount whereof is determined by the Board within the prescribed ceiling under the Companies Act, 2013.

There is no other pecuniary relationship or transactions with the Non-Executive Directors vis-à-vis the Company.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director.

### 5. DIRECTORS AND OFFICERS LIABILITY INSURANCE:

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has undertaken Directors and Officers Liability Insurance ('D and O' insurance) for all its Directors, including Independent Directors for such quantum and risks as determined by the Board of Directors of the Company.

### 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

- 6.1 Stakeholders Relationship Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Para B of Part D of Schedule II of the Listing Regulations.
- 6.2 The extract of terms of reference of the Stakeholders Relationship Committee inter-alia includes the following:
  - i. To look into the mechanism of redressal of grievances of Shareholders, Debenture holders and other Security holders;
  - ii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
  - iii. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
  - iv. Perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

6.3 During the year 2022-2023, 4 (Four) meetings of the Stakeholders Relationship Committee of the Company were held on 11th May, 2022, 6th August, 2022, 8th November, 2022 and 4th February, 2023. The composition of the Committee and the attendance of members of the Committee during the year 2022-2023 are as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director	4
Shri Vikram Swarup	Independent Non-Executive Director	4
Shri Arvind Pathak*	Executive Director	3
Shri Sandip Ghose <sup>#</sup>	Executive Director	1

\* Shri Arvind Pathak ceased to be the member w.e.f. 31st December, 2022.

# Shri Sandip Ghose appointed as the member w.e.f. 1st January, 2023.

6.4 In addition, the Stakeholders Relationship Committee approved 12 (Twelve) Resolutions by Circulation for effecting registration of transmission of shares, request for issuance of duplicate Share Certificates, deletion of name of the deceased, correction/change of names, Issuance of Letter of Confirmation(s) and other issues concerning investor services during the year.

The Company has received 1 (One) complaint from the shareholder during the financial year 2022-2023 and the same has been processed in time and replied/resolved to the satisfaction of the shareholder.

As on 31st March, 2023, no grievances of the shareholders remained unaddressed/pending.

The minutes of the meetings of the Stakeholders Relationship Committee are placed before and noted by the Board. During the year, all recommendations made by the Stakeholders Relationship Committee were accepted by the Board of Directors of the Company.

Shri Manoj Kumar Mehta, Company Secretary & Legal Head is the Compliance Officer of the Company for complying with the requirements of the Listing Regulations. He is also the Nodal Officer for IEPF matters.

The Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company held on 27th September, 2022.

**7. COMMITTEE OF DIRECTORS:**

7.1 The Committee of Directors has been constituted by the Board of Directors of the Company with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly.

7.2 During the year 2022-2023, no meeting of the Committee of Directors of the Company was held. The composition of the Committee is as under:

Name of the Member	Category
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director
Shri Vikram Swarup	Independent Non-Executive Director
Shri Arvind Pathak*	Executive Director
Shri Sandip Ghose <sup>#</sup>	Executive Director

\* Shri Arvind Pathak ceased to be the member w.e.f. 31st December, 2022.

# Shri Sandip Ghose appointed as the member w.e.f. 1st January, 2023.

**8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

8.1 The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company as per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

8.2 The extract of terms of reference of the Corporate Social Responsibility Committee of the Company inter-alia includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on various CSR activities in a financial year;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time;
- To formulate and recommend to the Board, an Annual CSR Action Plan in pursuance of its CSR policy;
- To decide on any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company;
- To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

8.3 During the year 2022-2023, 2 (Two) meetings of the CSR Committee of the Company were held on 11th May, 2022 and 8th November, 2022. The composition of the Committee and

## REPORT ON CORPORATE GOVERNANCE (Contd.)

the attendance of members of the Committee during the year 2022-2023 are as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director	2
Shri Vikram Swarup	Independent Non-Executive Director	2
Shri Brij Behari Tandon*	Independent Non-Executive Director	-
Shri Dhruva Narayan Ghosh	Independent Non-Executive Director	2
Shri Anand Bordia#	Independent Non-Executive Director	1
Smt. Shailaja Chandra@	Independent Non-Executive Director	1

\* Shri Brij Behari Tandon ceased to be the member w.e.f. 11th May, 2022.

# Shri Anand Bordia appointed as the member w.e.f. 6th August, 2022.

@ Smt. Shailaja Chandra appointed as the member w.e.f. 6th August, 2022.

The minutes of the meetings of the CSR Committee are placed before and noted by the Board. During the year, all recommendations made by the Corporate Social Responsibility Committee were accepted by the Board of Directors of the Company.

### 9. RISK MANAGEMENT COMMITTEE:

9.1 Pursuant to the provisions of Regulation 21 of the Listing Regulations, the Risk Management Committee has been constituted by the Board of Directors of the Company. The Committee acts in accordance with the provisions of Section 134 of the Companies Act, 2013 read with Para C of Part D of Schedule II of the Listing Regulations.

9.2 The extract of terms of reference of the Risk Management Committee of the Company inter-alia includes the following:

- i. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks;
  - (c) Business continuity plan;
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. To review the cyber security systems of the Company;
- v. To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

9.3 During the year 2022-2023, 2 (Two) meetings of the Risk Management Committee were held on 28th July, 2022 and 20th January, 2023. The gap between two meetings was not more than 180 (one hundred and eighty) days as stipulated under the Listing Regulations. The composition of the Committee and the attendance of members of the Committee during the year 2022-2023 are as under:

Name of the Member	Category	No. of meetings attended
Shri Brij Behari Tandon (Chairman)*	Independent Non-Executive Director	-
Smt. Shailaja Chandra# (Chairperson)	Independent Non-Executive Director	2
Shri Dilip Ganesh Karnik	Non-Executive Director	2
Shri Aditya Saraogi (Chief Financial Officer)	Member	2
Shri Arvind Pathak&	Executive Director	1
Shri Sandip Ghose^	Executive Director	1

\* Shri Brij Behari Tandon ceased to be the member and the Chairman w.e.f. 11th May, 2022.

# Smt. Shailaja Chandra was designated as the Chairperson w.e.f. 6th August, 2022.

& Shri Arvind Pathak ceased to be the member w.e.f. 31st December, 2022.

^ Shri Sandip Ghose appointed as the member of the Committee w.e.f. 1st January, 2023.

The minutes of the meetings of the Risk Management Committee are placed before and noted by the Board. During the year, all recommendations made by the Risk Management Committee were accepted by the Board of Directors of the Company.

### 10. SEPARATE MEETING OF INDEPENDENT DIRECTORS':

Section 149(8) read with Schedule IV of the Companies Act, 2013 and the Rules thereunder and Regulation 25(3) of the Listing Regulations mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the presence of Non-Independent Directors and members of the Management.

In compliance with Regulation 25(3) of the Listing Regulations and Schedule IV of the Companies Act, 2013, during the year 1 (One) separate meeting of the Independent Directors of the Company was held on 4th February, 2023 without the

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

presence of Non-Independent Directors and members of the Management. At the said meeting, the Independent Directors, inter-alia:

- Reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Assessed the quality, content and timelines of flow of information between the Management and the Board which is necessary for the Board to effectively and reasonably perform its duties;

The attendance of Directors at the meeting held during the year 2022-2023 is as under:

Name of the Director	No. of meetings attended
Shri Dhruva Narayan Ghosh <sup>#</sup>	1
Shri Vikram Swarup	1
Shri Anand Bordia	1
Shri Brij Behari Tandon*	-
Dr. Deepak Nayyar	1
Smt. Shailaja Chandra	1

<sup>#</sup> Shri Dhruva Narayan Ghosh was unanimously elected as the Chairman of the Meeting.

\* Shri Brij Behari Tandon ceased to be the director w.e.f. 11th May, 2022.

The Independent Directors expressed their satisfaction on the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company, Management and the Board.

**11. SUBSIDIARY COMPANIES:**

In terms of Regulation 24(1) of the Listing Regulations, the Company has a material unlisted Subsidiary namely RCCPL Private Limited. The requirements relating to composition of Board of Directors of unlisted material subsidiary has been complied with. Pursuant to clause 10 of Para C of Schedule V of the Listing Regulations, the details of Material Subsidiary are mentioned below:

Name	RCCPL Private Limited
Date of Incorporation	24.08.2007
Place of Incorporation	Mumbai, Maharashtra
Name of Statutory Auditors	M/s. V. Sankar Aiyar & Co.
Date of Appointment	20.08.2021

The Company monitors performance of the subsidiary companies, inter-alia, by the following means:

- Financial statements, in particular the investments made by the unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company;
- Minutes of the Meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly;
- A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board/Audit Committee;
- Reviewing, the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, by the Audit Committee of the Company.

**12. GENERAL BODY MEETINGS:**

12.1 The details of Annual General Meeting held during the last three years are as under:

AGM	Financial Year	Venue	Date	Time
102nd	2021-2022	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	27.09.2022	10:30 A.M.
101st	2020-2021	AGM held through Video Conference / Other Audio-Visual Means (Deemed Venue was 1, Shakespeare Sarani, 2nd Floor, Kolkata - 700 071)	29.09.2021	10:30 A.M.
100th	2019-2020	AGM held through Video Conference / Other Audio-Visual Means (Deemed Venue was 1, Shakespeare Sarani, 2nd Floor, Kolkata - 700 071)	25.08.2020	10:30 A.M.

12.2 The details of the Special Resolutions passed in the last three Annual General Meeting are as follows:

AGM	Financial Year	Details of Special Resolution passed
102nd	2021-2022	No Special Resolution was passed.
101st	2020-2021	No Special Resolution was passed.
100th	2019-2020	Payment of Commission to Shri Harsh V. Lodha (DIN: 00394094), Non-Executive Chairman of the Company for the financial year 2020-2021.

**12.3 Extraordinary General Meeting:**

No Extraordinary General Meeting of the members was held during the Financial Year 2022-2023.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### 12.4 Postal Ballot:

During the financial year 2022-2023, no Special Resolution has been passed through Postal Ballot by the Company. The Company has sought the approval of shareholders through Postal Ballot Notice dated 5th December, 2022 for the following Ordinary Resolutions:

Item No.	Description
1.	Appointment of Shri Sandip Ghose (DIN: 08526143) as Director of the Company w.e.f. 1st December, 2022.
2.	Appointment of Shri Sandip Ghose (DIN: 08526143) as Wholetime Director of the Company for the period from 1st December, 2022 to 31st December, 2022.
3.	Appointment of Shri Sandip Ghose (DIN: 08526143) as Managing Director & Chief Executive Officer of the Company for a period of 3 years w.e.f. 1st January, 2023.

The aforesaid Resolutions were passed with requisite majority on 14th January, 2023.

The Postal Ballot was conducted in accordance with the provisions of Section 110 of the Companies Act, 2013 read with rules framed thereunder, Listing Regulations and Secretarial Standard on General Meetings to the extent applicable and other law and regulation, if any. The Company had engaged Central Depository Services (India) Limited ("CDSL") as its agency for providing remote e-voting facility to the Shareholders of the Company. Shareholders were given an option to vote either by means of Physical Postal Ballot or through remote e-voting.

Shri Anil Kumar Murarka, LLB, Company Secretary in Wholetime Practice, was appointed as the Scrutinizer for conducting the Postal Ballot including remote e-voting process in a fair and transparent manner.

At present, there is no proposal for passing any Special Resolution through Postal Ballot.

### 13. DISCLOSURES:

#### i) Disclosure on materially significant related party transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2022-2023 were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year 2022-2023 which were in conflict with the interest of the Company.

Suitable disclosure as required by the Indian Accounting Standard (IND-AS 24) has been made in the Note No. 61 of the Standalone Financial Statements.

The Policy on Related Party Transactions has been placed on the website of the Company and can be accessed at <https://www.birlacorporation.com/investors/policies/policy-on-related-party-transactions-BCL.pdf>

#### ii) Compliance with Accounting Standard:

In the preparation of the financial statements, the Company has followed and adopted all relevant Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) specified under Section 133 of the Companies Act, 2013 read with relevant Rules made thereunder and other recognized accounting policies and practices. The Significant Accounting Policies which are consistently applied and followed by the Company to the extent applicable have been set out in the Notes to the Financial Statements.

#### iii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets:

The Company has complied with all the requirements of the Listing Regulations as well as other regulations and guidelines of SEBI. There has been no instance of non-compliance by the Company on any matter related to Capital Markets and no penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to Capital Markets during last three financial years.

#### iv) Risk Management:

The Company has laid a comprehensive Risk Plan and Management Policy which is reviewed by the Risk Management Committee and the Audit Committee and approved by the Board from time to time. These procedures are reviewed and updated to ensure that executive management controls risk through means of a properly defined framework and the risks are properly dealt with and mitigated.

#### v) Vigil Mechanism/Whistle Blower Policy:

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 read with the rules framed thereunder and Regulation 22 of the Listing Regulations, the Company has framed a Vigil Mechanism/Whistle Blower Policy and the same has also been placed on the website of the Company.

It is affirmed that neither the Directors nor any employees of the Company has been denied access to the Chairman of the Audit Committee.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**vi) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

The Company has complied with all the applicable mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

- i) **Non-Executive Chairman's Office:** The Company maintains a separate office for the Chairman of the Company who is a Non-Executive Director.
- ii) **Shareholders' Rights:** As the quarterly, half yearly and annual financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders separately.
- iii) **Modified Opinion in Auditors Report:** The Company's financial statements for the financial year 2022-2023 do not contain any modified audit opinion.
- iv) **Reporting of Internal Auditors:** The Internal Auditors reports to the Audit Committee and they participate in the meetings of the Audit Committee and present their internal audit observations to the Audit Committee.
- v) **Separate post of Chairman & Managing Director or Chief Executive Officer:** The Chairman of the Board is Non-Executive Director and not related to the Managing Director & Chief Executive Officer ('MD & CEO') of the Company.

**vii) Policy for determining 'Material' Subsidiaries:**

The Company's Policy for determining Material Subsidiary is placed on the website of the Company and can be accessed at the link:

<https://www.birlacorporation.com/investors/policies/policy-on-material-subsiary.pdf>

**viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

The Company did not raise any funds through preferential allotment or qualified institutions placement during the financial year 2022-2023.

**ix) A certificate from a Company Secretary in practice regarding Non-Debarment and Non-Disqualification of Directors:**

The Certificate received from M/s. Mamta Binani & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified

from being appointed or continuing as Director of Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority, is attached to this report and forms part of the Annual Report.

**x) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:**

All the recommendations of the various Committees were accepted by the Board.

**xi) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

The Company has paid a total sum of ₹ 1.22 crores on consolidated basis to M/s. V. Sankar Aiyar & Co., Statutory Auditors of the Company for all the services provided to the Company and its subsidiaries, details of which are mentioned below:

(₹ in Crore)

Particular of fees paid	By Company	By Subsidiary	Total
Statutory Audit Fees	0.31	0.26	0.57
Other services including reimbursement of expenses	0.45	0.20	0.65
<b>Total</b>	<b>0.76</b>	<b>0.46</b>	<b>1.22</b>

**xii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has zero tolerance towards sexual harassment at workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace.

There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as on the end of the financial year 2022-2023.

**xiii) The details of loans and advances granted by the Company to the firms/companies in which directors are interested have been disclosed in Note No. 11 of the Standalone Financial Statements.**

**xiv) There has been no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub-para (2) to (10) of para C of Schedule V to the Listing Regulations.**

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- xv) The Company has duly complied with the applicable requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

### 14. PREVENTION OF INSIDER TRADING:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Prohibition of Insider Trading Regulations'), the Company has formulated and adopted the 'Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information' ('Code').

The said Code is applicable to all the Designated Persons, their immediate relatives, subsidiaries of the Company and to the extent mentioned, to insiders and connected person and inter-alia, prohibits trading in securities of the Company while in possession of unpublished price sensitive information in relation to the Company. The Code is also placed on the Company's website and can be accessed at the link: <http://www.birlacorporation.com/bcl-insider-trading.pdf>

The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations.

A structured digital database is being maintained by the Company, which contains the names of the Designated Persons and other particulars as prescribed under the Code.

The Board has also framed a policy for determination of Legitimate Purposes as a part of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the requirements of the Prohibition of Insider Trading Regulations.

The Code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with the Shares of the Company.

The Company follows closure of trading window from the end of every quarter till 48 hours after the declaration of financial results. The Company has been advising the Designated Persons covered by the Code not to trade in Company's securities during the closure of trading window period.

The Board of Directors and the Designated Persons have affirmed their adherence to the provisions of the said Code.

As required under Regulation 9A of the Prohibition of Insider Trading Regulations, the Audit Committee and Board of the Company have reviewed the Compliances with the provisions of these regulations and have also verified the internal control systems in this respect and the same are adequate and operating effectively.

### 15. CEO & CFO CERTIFICATION:

The Managing Director & Chief Executive Officer and Chief Financial Officer of the Company have issued a certificate pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said Certificate is attached to this report and forms part of the Annual Report.

The Chief Executive Officer and Chief Financial Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

### 16. COMPLIANCE CERTIFICATE OF THE AUDITORS:

A Compliance Certificate has been received from the Company's Statutory Auditors, M/s. V. Sankar Aiyar & Co., Chartered Accountants, pursuant to Schedule V of the Listing Regulations regarding the compliance of conditions of Corporate Governance. The said certificate is attached to this report and forms part of the Annual Report.

### 17. MEANS OF COMMUNICATION:

The Company utilizes various means of communication to keep its shareholders and stakeholders informed of its financial performance, events, and updates. Below are some of the mode and means of communication which Company does with its shareholder.

**Financial Results:** The quarterly, half-yearly and the annual financial results of the Company are published in one English newspaper circulating in whole or substantially the whole of India and in one vernacular newspaper. The results are also displayed on the Company's website at [www.birlacorporation.com](http://www.birlacorporation.com).

**Press Release:** The Company issues Press Releases on the quarterly, half-yearly and the annual financial results which are also displayed on the Company's website at [www.birlacorporation.com](http://www.birlacorporation.com). As per the requirements of the Listing Regulations, the financial results, Statutory Notices and Press Releases are furnished to the Stock Exchanges where the securities of the Company are listed.

**Annual Report:** The Annual Report for financial year 2021-2022 along with Notice of AGM, Attendance Slip and Proxy Form were sent through electronic mode to those Members whose email addresses were registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the aforesaid documents were sent through permitted mode.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**SEBI Complaints Redressal System (SCORES):** The investors complaints are also being processed through the centralized web based complaint redressal system. The salient features of SCORES are availability of centralized data base of the complaints, uploading online action taken reports by the Company. Through the SCORES website, the investors can view online, the action taken and the current status of the complaints.

**Communication related to Dividend and updation of records:** The Company issues various reminder letters to the shareholders whose dividend is outstanding, PAN, Bank details are not updated and those whose shares and dividend are liable to be transferred to IEPF.

**18. GENERAL SHAREHOLDERS' INFORMATION:**
**18.1 Annual General Meeting**

Date and Time : 5th September, 2023 at 10.30 a.m.  
Venue : Kalpataru Uttam Mancha,  
10/1/1, Monohar Pukur Road,  
Kolkata - 700026.

**18.2 Financial Year:** 1st April to 31st March

**18.3 Financial Calendar (tentative and subject to change)**

1st Quarterly Results  
2nd Quarterly/Half yearly Results : } Within 45 days from the  
3rd Quarterly Results } end of the quarter  
Audited Financial Results (for : Within 60 days from the  
the year ending 31st March, end of the financial  
2024) year

**18.4 Date of Book closure :** 30th August, 2023 to  
5th September, 2023  
(both days inclusive)

**18.5 Dividend Payment date :** Within 30 days from  
the date of Annual  
General Meeting.

**18.6 Listing of Shares and Debentures:**
**A. Ordinary Shares**

The Ordinary shares are at present listed at the following Stock Exchanges.

	Name of the Stock Exchanges	Stock Code/Symbol
1.	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C - 1, Block - G, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051.	BIRLACORPN – EQ
2.	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.	500335

**B. Debt Securities**

The details of Non-Convertible Debentures issued by the Company are as under:

Non-Convertible Debentures Series	Listing Details
Series VI	Listed on the Wholesale Debt Market Segment of BSE Limited.
Series VII	Listed on the Wholesale Debt Market Segment of BSE Limited.
Series VIII*	Not listed.
Series IX	Listed on the Wholesale Debt Market Segment of BSE Limited.

\* Company has partially redeemed ₹ 30 Crore out of principal amount of ₹ 150 Crore during the financial year 2022-2023, accordingly the face value of the Non-Convertible Debentures has been reduced from ₹ 10,00,000/- to ₹ 8,00,000/- per Debenture.

Annual Listing fees for the financial year(s) 2022-2023 and 2023-2024 have been paid by the Company on time to the above Stock Exchanges.

**C. Debenture Trustees**

IDBI Trusteeship Services Limited  
GR FLR, Universal Insurance Bldg, Sir Phirozshah  
Mehta Rd., Fort Bazargate, Mumbai - 400001

**18.7 ISIN Code for the Company's Ordinary Shares:**

INE340A01012

**18.8 ISIN Code for various series of Debentures is as under:**

Details of Debentures	ISIN
Secured Redeemable Non-Convertible Debentures Series –VI	INE340A07084
Secured Redeemable Non-Convertible Debentures Series –VII	INE340A07092
Secured Redeemable Non-Convertible Debentures Series –VIII	INE340A07100*
Secured Redeemable Non-Convertible Debentures Series –IX	INE340A07118

\* Partially Redeemed during the financial year 2022-2023.

**18.9 Corporate Identity Number (CIN):**

L01132WB1919PLC003334

**18.10 Market Price Data during financial year 2022-2023:**

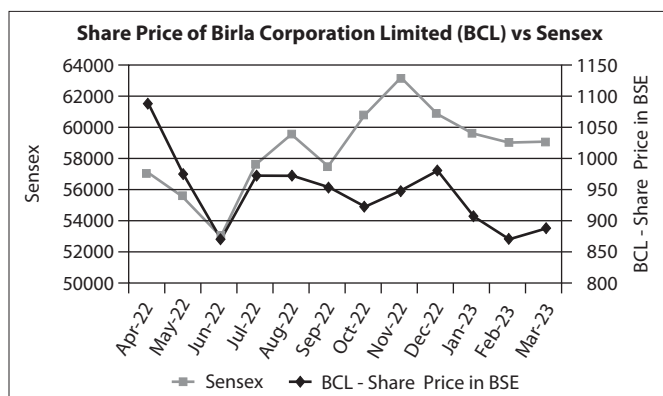
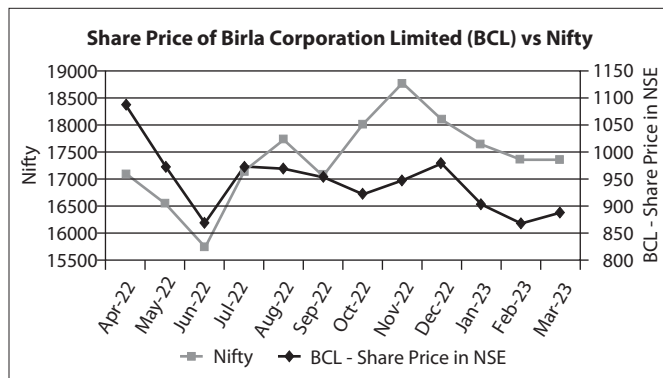
Month	BSE Limited (₹)		National Stock Exchange of India Limited (₹)	
	High	Low	High	Low
April, 2022	1232.00	1084.65	1233.00	1084.10
May, 2022	1094.90	895.30	1090.00	893.60
June, 2022	1016.00	822.80	1016.05	823.00
July, 2022	1014.20	828.05	999.00	826.00
August, 2022	1018.05	931.05	1018.85	931.20
September, 2022	1142.30	948.20	1143.45	948.35
October, 2022	960.95	891.25	960.60	891.05
November, 2022	1010.00	898.90	1010.00	898.50
December, 2022	1095.00	940.30	1095.50	941.00
January, 2023	1005.00	884.50	1006.00	884.95
February, 2023	952.50	843.05	953.40	843.15
March, 2023	944.30	846.35	943.90	846.20



## REPORT ON CORPORATE GOVERNANCE (Contd.)

### 18.11 Stock Performance in comparison to broad-based indices like BSE Sensex and NSE Nifty are given below:

Month	Closing Price of Equity Share at BSE (₹)	BSE (SENSEX)	Closing Price of Equity Share at NSE (₹)	NSE (NIFTY)
April, 2022	1087.20	57060.87	1088.05	17102.55
May, 2022	974.90	55566.41	974.50	16584.55
June, 2022	870.45	53018.94	870.95	15780.25
July, 2022	974.10	57570.25	974.50	17158.25
August, 2022	971.30	59537.07	971.35	17759.30
September, 2022	954.40	57426.92	955.25	17094.35
October, 2022	922.40	60746.59	923.00	18012.20
November, 2022	947.85	63099.65	949.60	18758.35
December, 2022	980.30	60840.74	980.30	18105.30
January, 2023	906.60	59549.90	906.05	17662.15
February, 2023	870.80	58962.12	870.45	17392.70
March, 2023	887.10	58991.52	890.20	17359.75



### 18.12 Registrar & Share Transfer Agent:

MCS Share Transfer Agent Limited  
383, Lake Gardens, 1st Floor,  
Kolkata -700 045  
Phone: (033) 4072 4051 to 4052  
E-mail : mcssta@rediffmail.com

### 18.13 Share Transfer System:

The Board has delegated the authority for approving transmissions or transposition of shares etc. to the Stakeholders Relationship Committee. The decisions of Stakeholders Relationship Committee are placed before the Board at the subsequent Board Meeting. The Company obtains from a Company Secretary in Practice, a yearly certificate of compliance with the share transfer formalities as required under Regulation 40 of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

The shares of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Shareholders should communicate with MCS Share Transfer Agent Limited, the Company's Registrar & Share Transfer Agent at mcssta@rediffmail.com quoting their folio number or DP ID/ Client ID number, for any queries relating to their securities.

All requests for dematerialisation of shares, which are found to be in order, are generally processed within 15 days and a 'Letter of Confirmation' is issued by the Company in lieu of Physical Share Certificate(s) to the securities holder/claimant. Such 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

### 18.14 Simplified Norms for processing Investor's Service Requests:

Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, it has become mandatory for all the holders of Physical Securities of listed entities to furnish their PAN, Nomination, Contact details, Bank A/c. details and Specimen signature for their corresponding folio numbers. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA. Members holding Physical Securities who are yet to update their KYC details are urged to furnish their PAN, Nomination, Contact details, Bank A/c. details and Specimen signature by submitting the prescribed form along with necessary documents to the Company's RTA i.e. MCS Share Transfer Agent Limited at 383, Lake Gardens, 1st Floor, Kolkata - 700045.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

The said SEBI circular is also available at the website of the Company at <https://birlacorporation.com/investors/downloads/Simplified-norms-for-issuance-of-securities.pdf>. The Company has also sent intimations, in accordance with the said SEBI circular, to those Members, holding securities in physical form, whose folios are incomplete with any of the cited documents/details and requested them to update the same so as to avoid freezing of the folios.

**18.15 Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:**

Nil.

**18.16 Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

During the year 2022-2023, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 55.3.2 to the Standalone Financial Statement.

**18.17 Details of Credit Ratings assigned/re-affirmed to the Company during financial year 2022-2023:**

During the year the credit rating agencies have reaffirmed the ratings for the following instruments of the Company:

Instrument details	Amount (₹ in Crore)	Reaffirmed Rating
9.25% Non-Convertible Debentures	200.00	ICRA AA (Stable); CARE AA (Stable)
9.25% Non-Convertible Debentures	50.00	ICRA AA (Stable); CARE AA (Stable)
7.05% Non-Convertible Debentures	120.00*	IND AA (Stable)
5.75% Non-Convertible Debentures (Floating Rate)	150.00	IND AA (Stable)
Commercial Paper	300.00	CRISIL A1+
Long Term Bank facilities	624.48	CARE AA (Stable)
Long / Short Term Bank facilities	883.00	CARE AA / CARE A1+

\* Partially redeemed ₹ 30 crore out of ₹ 150 crore during the financial year 2022-2023.

**18.18 Dividend history for the last 5 years is as under:**

Financial Year	Date of Declaration	Dividend per Share (₹)
2022 – 2023	05.09.2023	2.50*
2021 – 2022	27.09.2022	10.00
2020 – 2021	29.09.2021	10.00
2019 – 2020	25.08.2020	7.50
2018 – 2019	13.08.2019	7.50
2017 – 2018	20.07.2018	6.50

\* Subject to approval of shareholders.

**18.19 Unclaimed Dividends:**

The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Central Government. Accordingly, during the financial year 2023-2024, final dividend for the financial year 2015-2016 declared at the Annual General Meeting of the Company held on 8th July, 2016 which remains unpaid/unclaimed on due date i.e. 12th August, 2023, will be transferred to the IEPF Authority.

The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 31st March, 2022 on the website of the Company at [https://www.birlacorporation.com/investors/unpaid-dividend/Form-IEPF-2\\_F\\_WEB.pdf](https://www.birlacorporation.com/investors/unpaid-dividend/Form-IEPF-2_F_WEB.pdf) and on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in). The details of unpaid and unclaimed dividend amounts lying with the Company as on 31st March, 2023 shall be updated within 60 days of AGM.

**18.20 Transfer of 'Shares' to Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years):**

In accordance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer shares in respect of which dividends remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. Accordingly, during the financial year 2022-2023, the Company has transferred 7,508 ordinary shares to the demat account of IEPF Authority in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 7th August, 2022.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

All shares in respect of which dividends have remained unpaid/unclaimed for a consecutive period of seven years or more since 2015-2016 will also be transferred to the IEPF Authority within 30 days from the date of transfer i.e. 12th August, 2023. Before transferring the shares, the Company publish Notice in the newspapers inviting the Members attention in this regard. The Company also send individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the IEPF Rules. Members who have not encashed the dividend warrant(s) from financial year 2015-2016, onwards may forward their claims to the Company's Registrar & Share Transfer Agent to avoid any transfer of dividend or shares to the IEPF Authority. The details regarding the shareholders whose shares are liable to be transferred to IEPF Accounts are also placed on the Company's website at <https://birlacorporation.com>.

Further, it may also be noted that in terms of Sections 124(6) and 125(3) of the Companies Act, 2013 read with Rule 7 of the IEPF Rules, the shares and unclaimed dividends transferred to the IEPF Authority can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in e-Form No. IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) and submit the requisite documents to the Nodal Officer/Deputy Nodal Officer of the Company at the Registered Office of the Company.

The Company has appointed a Nodal Officer and a Deputy Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at <https://www.birlacorporation.com/nodal-officer.html>.

### 18.21 Payment of Dividend to Investors through Electronic Mode:

The Company provides the facility for electronically credit of the dividend to the Members' Bank Account. Listing Regulations also mandate companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the banks' NACH/NEFT/Direct Credit facility mode. Members who hold shares in demat mode should inform their Depository Participant, whereas members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not available, the Company will issue the dividend warrant/demand drafts mentioning the existing bank details available with the Company.

### 18.22 Details of outstanding shares in the Unclaimed Suspense Account:

The details in respect of ordinary shares lying in the unclaimed suspense account which was issued in demat form and physical form, respectively as on 31st March, 2023, are as under:

Particulars	Demat		Physical	
	Number of Share-holders	Number of Ordinary shares	Number of Share-holders	Number of Ordinary shares
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account lying at the beginning of the year i.e. 1st April, 2022	9	250	0	0
Number of shareholders/ legal heirs who approached the Company for transfer of shares and to whom shares were transferred from Unclaimed Suspense Account during the year	0	0	0	0
Number of shareholders and shares transferred to the IEPF Authority from the Unclaimed Suspense Account	0	0	0	0
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying at the end of the year i.e. 31st March, 2023	9	250	0	0

The voting rights on the aforesaid shares lying in the Unclaimed Suspense Account as on 31st March, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

Shareholders who have not claimed their shares are requested to contact the Registrar & Share Transfer Agent of the Company by forwarding a request letter duly signed by the shareholders furnishing their postal address, self-attested copies of PAN card & proof of address and for delivery of shares in DEMAT form, a copy of Demat Account-Client Master Report duly certified by the Depository Participant and a recent demat account statement, to enable the Company to release the said shares to the rightful owner.

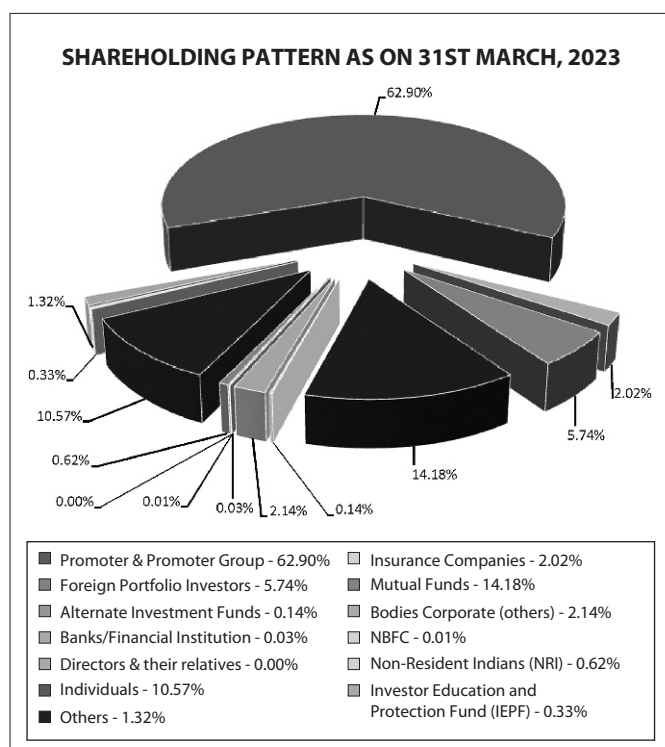
### 18.23 Distribution of shareholding as on 31st March, 2023:

No. of Ordinary Shares held	Shareholders		Shares	
	Number	%	Number	%
1 to 500	95642	97.49	4455026	5.78
501 to 1000	1327	1.35	978948	1.27
1001 to 2000	592	0.61	851904	1.11
2001 to 3000	157	0.16	389150	0.51
3001 to 4000	89	0.09	314883	0.41
4001 to 5000	57	0.06	265401	0.34
5001 to 10000	90	0.09	643597	0.84
10001 and above	149	0.15	69106438	89.74
<b>Total</b>	<b>98103</b>	<b>100.00</b>	<b>77005347</b>	<b>100.00</b>

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**18.24 Shareholding Pattern:**

Category	No. of shareholders	% of Shareholders	No. of Ordinary shares	% of shareholding
Promoter & Promoter Group	23	0.02	48434191	62.90
Insurance Companies	6	0.01	1555074	2.02
Foreign Portfolio Investors	92	0.09	4417683	5.74
Mutual Funds	14	0.01	10918666	14.18
Alternate Investment Funds	6	0.01	104704	0.14
Bodies Corporate (others)	869	0.89	1649352	2.14
Banks/Financial Institution	17	0.02	24050	0.03
NBFC	2	0.00	10054	0.01
Directors & their relatives	2	0.00	1000	0.00
Non-Resident Indians (NRI)	3008	3.07	475568	0.62
Individuals	92434	94.22	8139294	10.57
Investor Education and Protection Fund (IEPF)	1	0.00	252078	0.33
Others	1629	1.66	1023633	1.32
<b>TOTAL</b>	<b>98103</b>	<b>100.00</b>	<b>77005347</b>	<b>100.00</b>



**18.25 Dematerialisation of Shares and Liquidity:**

As on 31st March, 2023, 99.67% of the Company's total ordinary shares representing 76749151 shares were held in dematerialised form and 256196 shares representing 0.33% of paid-up share capital were held in physical form.

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE and have adequate liquidity.

**18.26 Reconciliation of Share Capital Audit:**

As stipulated by the Securities and Exchange Board of India (SEBI), a Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, and is also placed before the Board of Directors.

**18.27 Dispute Resolution Mechanism at Stock Exchanges:**

SEBI vide its Circular dated 30th May, 2022 provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this Circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request. In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members.

**18.28 Plant Locations:**

**Birla Corporation Limited:**

Plant Location	Plant Address
<b>Satna (Madhya Pradesh)</b>	P.O. Birla Vikas, Satna - 485 005, Madhya Pradesh
<b>Chandera (Rajasthan)</b>	Madhavnagar, P.O. Cement Factory, Chandera - 312 021, Rajasthan
<b>Kolkata (West Bengal)</b>	102, Narkeldanga Main Road, Kolkata - 700 054
<b>Birlapur (West Bengal)</b>	Birlapur - 743 318, 24 Parganas (S), West Bengal
<b>Durgapur (West Bengal)</b>	Near DSP Slag Bank, Durgapur - 713 203, Dist: Paschim Bardhaman, West Bengal
<b>Raebareli (Uttar Pradesh)</b>	Plot No. D/9 to D/15, UPSIDC Industrial Area, Phase II, Amawan Road, P.O. Raebareli - 229 001, Uttar Pradesh

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**RCCPL Private Limited (wholly owned material subsidiary of the Company):**

<b>Plant Location</b>	<b>Plant Address</b>
<b>Maihar (Madhya Pradesh)</b>	Village - Bharauli, PO - Itahra, Maihar - 485 775, Satna, Madhya Pradesh
<b>Kundanganj (Uttar Pradesh)</b>	Village - Karanpur, Near Kundanganj Railway Station, Dist. Raebareli - 229 303, UP
<b>Butibori (Maharashtra)</b>	J-2, M.I.D.C., Butibori Industrial Area, Butibori, Nagpur - 441 122, Maharashtra
<b>Mukutban (Maharashtra)</b>	Taluka - Zari Jamani, Dist. Yavatmal, Maharashtra - 445 319

**18.29 Address for Correspondence:**

The shareholders may address their communications/ suggestions/ grievances/ queries to:

The Company Secretary,  
Birla Corporation Limited,  
Birla Building,  
9/1, R.N. Mukherjee Road, Kolkata-700 001  
Phone No.: (033) 66166729, 66166737  
Fax: (033) 2248-7988/2872  
Email: [investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com)

**18.30 Exclusive e-mail id for Investors' Grievances:**

[investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com)

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its Members and Senior Management Personnel of the Company. The same has been posted on the Company's website. It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2023 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **BIRLA CORPORATION LIMITED**

Place: Kolkata  
Dated: 9th May, 2023

**(SANDIP GHOSE)**  
Managing Director &  
Chief Executive Officer

**CERTIFICATE**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Birla Corporation Limited** and having registered office at Birla Building, 9/1, R N Mukherjee Road, Kolkata 700001, West Bengal, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

For **Mamta Binani & Associates**

**CS Madhuri Pandey**

Partner

CP No. : 20723

Membership No.: A55836

UDIN: A055836E000470426

Place: Kolkata

Date: 09.05.2023

**REPORT ON CORPORATE GOVERNANCE** (Contd.)

**Managing Director & Chief Executive Officer and Chief Financial Officer (CFO) Certification**

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015]

The Board of Directors  
Birla Corporation Limited  
9/1, R.N. Mukherjee Road,  
Kolkata – 700001

We, Sandip Ghose, Managing Director & Chief Executive Officer and Aditya Saraogi, Chief Financial Officer of Birla Corporation Limited certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief, we state that:
  - i) these statements do not contain any materially untrue statement, or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) significant changes, if any, in the internal controls over financial reporting during the year;
  - ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Dated, 9th May, 2023

**(SANDIP GHOSE)**  
Managing Director & Chief Executive Officer

**(ADITYA SARAOGI)**  
Chief Financial Officer

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**TO THE MEMBERS OF BIRLA CORPORATION LIMITED**

1. We have examined the compliance of regulations of Corporate Governance by **Birla Corporation Limited** ('the Company') for the year ended 31st March, 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

**Management's Responsibility**

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

**Auditors' Responsibility**

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2023. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **V. Sankar Aiyar & Co.**  
Chartered Accountants  
(Firm Regn. No.: 109208W)

**(M.S. BALACHANDRAN)**  
Partner (M. No.: 024282)  
UDIN: 23024282BGVKAQ5811

Place: Kolkata  
Dated, 9th May, 2023



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BIRLA CORPORATION LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of **BIRLA CORPORATION LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2023, profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Recoverability of MAT Credit Entitlement in future:</b></p> <p>The Company has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, estimation of long-term future profitability, future revenue from proposed projects and tax regulations and developments.</p> <p>As a result, the recognition of the deferred tax asset on above is significant to our audit.</p> <p>The disclosures relating to the above are included in Note No. 25 of the standalone financial statements.</p>	<p>Audit procedures included, among others, review of:</p> <ul style="list-style-type: none"> <li>• The appropriateness of the methodology applied by the Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits.</li> <li>• The likelihood of the Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalisations and depreciation allowance thereon and future estimates of taxable income.</li> <li>• The adequacy of the Company's disclosures in the financials on deferred tax assets and assumptions used.</li> </ul>
<p><b>Litigations and Claims</b></p> <p>The Company is exposed to different laws, regulations and interpretations thereof which encompasses direct/indirect taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal and tax proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims.</p> <p>Based on the nature of regulatory and legal cases management applies significant judgement when considering whether, and how much, to provide for the potential exposure of each matter.</p> <p>These estimates could change significantly over time as new facts emerge and each legal case progresses. Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amounts of provisions required or to determine required disclosures, this is a key audit matter.</p> <p>(Refer Note No. 41 to the standalone financial statements)</p>	<p>Our audit procedure in response to this key Audit Matter included, among others,</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of possible legal and tax risks by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases.</li> <li>• Inquiry with the legal and tax divisions of the Company regarding the status of the most significant disputes and perusal of the relevant documentation.</li> <li>• Taking note of opinion received from the experts, where available.</li> <li>• Review of the adequacy of the disclosures in the notes to the standalone financial statements.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to

liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive

income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder;
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act, except for remuneration paid/provided to two Directors during the year ended 31st March, 2023, which is in excess of the limits given under section 197 of the Act, read with Schedule - V of the Act, by Rs. 1.53 crores which is subject to the approval of the Shareholders. The Company proposes to obtain necessary approvals from the Shareholders in the forthcoming Annual General Meeting in accordance with the provisions of the Act (Refer Note No. 63 to the standalone financial statements).

- 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, as amended, 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 as at 31st March, 2023 on its financial position in its standalone financial statements – Refer Note No. 41 to the standalone financial statements;
  - ii. The Company has made provision as at 31st March 2023, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2023 in accordance with the relevant provisions of the Act and Rules made there under.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note No. 59.4 to the standalone financial statements);

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on

behalf of the Ultimate Beneficiaries (Refer Note No. 59.4 to the standalone financial statements); and

(c) Based on such audit procedures performed that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend declared or paid during the year by the Company is in accordance with section 123 of the Act.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

**For V. Sankar Aiyar & Co.**

Chartered Accountants

(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)

Partner (M. No:024282)

Place: Kolkata

Dated: 9th May, 2023

UDIN: 23024282BGVKA06107

## Annexure-A to the Independent Auditor's Report on the standalone financial statements of Birla Corporation Limited for the year ended 31st March, 2023.

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment, investment property, right of use (ROU) assets and non-current assets held for sale.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment have been physically verified by the management/ outside agencies in a phased manner and reconciled with books of account, except in case of Soorah Jute Mills (due to suspension of work) with carrying value other than land and building, at ₹ 0.30 crore and Auto Trim Division at Gurgaon & Chakan with carrying value, other than land and building, at ₹ 0.74 crore, where verification could not be done. We are informed that no major discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable in relation to the size of the Company.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed etc., provided to us, we report that the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements of the Company are held in the name of the Company. The title deeds relating to certain immovable properties have been pledged as security with banks and financial institution for loans, guarantees etc., are held in the name of the Company based on the confirmations from the Security Trustees.
- (d) During the year Company has not revalued its property, plant and equipment (including right of use assets) and its intangible assets during the year. Accordingly, the requirements under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us and the representation obtained from the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, rest of the provisions of clause 3(i)(e) of the Order are not applicable.
- (ii) (a) The stock of finished goods, stores, spare parts and raw materials have been physically verified by the management/ outside agencies at reasonable intervals during the year, except for Soorah Jute Mills (due to suspension of work) and Auto Trim Division at Gurgaon and Chakan, where physical verification could not be done. We are informed that inventory held at these locations were insignificant. In our opinion, the coverage and procedure of the verification by the management/ outside agencies is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification.
- (b) On the basis of the verification of records and information and explanations given to us, the quarterly returns or statements filed by the Company with the banks or financial institutions, from whom working capital limits have been taken, are broadly in agreement with the books of account of the Company. We have not found any major discrepancies which may require reporting under this clause.
- (iii) The Company has, during the year, made investments in one company and various mutual fund schemes, granted unsecured loan to companies and employees, stood guarantee for one company.
- (a) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans, guarantees and securities to subsidiaries and to parties other than subsidiaries are as per the table given below:

Particulars	Loans	Guarantees
Aggregated amount granted / provided during the year		
- Subsidiaries	₹ 0.07 crore	-
- Others	-	-
Balance outstanding at the balance sheet date		
- Subsidiaries	₹ 0.07 crore	₹ 24.53 crores <sup>^</sup>
- Others	-	-

<sup>^</sup> To the extent of loan outstanding.

- (b) In respect of aforesaid investments, guarantees, securities and loans, the term and conditions

under which investments were made, guarantees and securities provided and loans were granted are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.

- (c) The loans granted to subsidiaries are interest free and the schedule of repayment of principal has been stipulated by the Company except for one loan aggregating ₹ 0.07 crore (fully provided in the books) where no schedule of repayment of principal and payment of interest has been stipulated. Except for the aforesaid instances (where in absence of stipulation of repayment / payment terms, we are unable to comment on the regularity of repayment of principal and payment of interest), repayments of principal amount and payment of interest are regular.
- (d) According to the information and explanations given to us and based on the audit procedures performed by us, there are no loans are overdue during the year, except for one loan aggregating ₹ 0.07 crore (fully provided in the books) recoverable from the subsidiary company. The subsidiary company stands liquidated as per Ethiopian Laws and distribution (repatriation) of the available money after satisfaction of liabilities is still pending.
- (e) No loan granted which has fallen due during the year that has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- (f) The Company has not granted any loans or advances in the nature of loan either repayable on demand or without the specifying the terms or period of repayment.
- (iv) The Company has not given any loan or provided any guarantees or security to parties covered under section 185 of the Companies Act, 2013. In respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted deposits and no amount has become deemed to be a deposit during the year in terms of the provisions of section 73 to 76 or any other provisions of the Companies Act, and the Rules made thereunder. Therefore, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made under sub-section (1) of section 148 of the Act and are of the opinion that

prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

- (vii) (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including goods and service tax (GST), 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 with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March 2023, which were outstanding for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues of different years as referred in sub-clause (vii)(a) above, which have remained unpaid as on 31st March, 2023 for which appeals are pending as under:

Name of the Statute	Nature of dues	Amount (₹ in Crores)	Period to which amount relates	Forum where the dispute is pending
Sales Tax & VAT Laws	Sales tax and VAT	78.07	FY 1993-94 to 2015-16	Department/ 1st Appellate Authority
		1.91	FY 1989-90 to 2010-11	Appellate Tribunals
		89.15	FY 1988-89 to 2017-18	High Court
IGST, SGST and CGST Act	IGST and SGST	38.83	FY 2017-18 to 2018-19	Department/ 1st Appellate Authority
		0.80	FY 2017-18	High Court
Central Excise Act, 1944	Excise Duty	13.48	FY 1980-81 to 2017-18	Department/ 1st Appellate Authority
		4.71	FY 2004-05 to 2017-18	Appellate Tribunals
		61.58	FY 2002-03 to 2017-18	High Court
Finance Act, 1994	Service Tax	0.36	FY 2013-14 to 2017-18	Department/ 1st Appellate Authority
		6.76	FY 2005-06 to 2010-11 and 2013-14 to 2017-18	Appellate Tribunals
Customs Act, 1962	Custom Duty	3.18	FY 2012-13	Appellate Tribunals
Income Tax Act, 1961	Income Tax	20.68	AY 2016-17 to 2018-19	Department/ 1st Appellate Authority

Name of the Statute	Nature of dues	Amount (₹ in Crores)	Period to which amount relates	Forum where the dispute is pending
Rajasthan Municipalities Act	Octroi	1.00	FY 1983-84 to 1986-87	High Court
Rajasthan Environment & Health Cess Rules – 2008	Environment and Health Cess	11.95	FY 2008-09 to 2014-15	Supreme Court
House Tax, Property Tax, Land Tax and Other Local Laws	House Tax, Property Tax, Land Tax and Other Local Tax & Cess	5.83	FY 1977-78 to 2006-07	Department/ 1st Appellate Authority
		29.90	FY 2001-02 to 2022-23	High Court
Stamp Duty and State Minerals Laws	Stamp Duty, Royalty and Cess	21.48	FY 1992-93 to 2008-09	High Court
Electricity Laws	Electricity Duty, Surcharge and Cess	5.02	FY 1981-82 to 2006-07	High Court
		17.27	FY 2006-07 to 2011-12	Supreme Court
Gratuity Act, 1972	Gratuity	0.01	FY 2020-21	Department/ 1st Appellate Authority
Employees State Insurance Act, 1948	Employees State Insurance	1.16	FY 1985-86 to 1996-97	Department/ 1st Appellate Authority
		2.27	FY 1984-85 to 2013-14	High Court
Building and other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996	Cess	0.19	FY 2009-10 to 2013-14	Department/ 1st Appellate Authority

(viii) On the basis of the verification of records and information and explanations given to us, we report that there is no case, where transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). We also report that there is no previously unrecorded income required to be recorded in the books of account during the year.

(ix) (a) On the basis of the verification of records and information and explanations given to us, the Company

has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and the representation obtained from the management, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized term loans for the purposes for which they were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not utilized the funds raised on short term basis for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Therefore, the provisions of clause 3(ix) (e) of the Order are not applicable.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures. Therefore, the provisions of clause 3(ix)(f) of the Order are not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible). Therefore, the provisions of clause 3(x)(b) of the Order are not applicable.
- (xi) (a) Based on the audit procedures performed and representation obtained from the management, we report that no case of material fraud by the Company or on the Company by has been noticed or reported during the year.
- (b) We report that, no report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) As represented to us by the management, there were no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 to the extent applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
- (xiv) (a) In our opinion and according to the information and explanation given to us, there is adequate internal audit system, commensurate with the size of the Company and the nature of its business.
- (b) We have considered the internal auditors' reports for the period under audit.
- (xv) According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Banks of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly reporting under clause 3(xvi)(d) of the Order are not applicable.
- (xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii) There is no resignation by the Statutory Auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable.
- (xix) According to the information and explanation given to us and on the basis of examination of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exist as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) On the basis of the verification of records, there is no unspent amount at the year-end as per the provisions of section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For V. Sankar Aiyar & Co.**

Chartered Accountants  
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)

Partner (M. No:024282)

Place: Kolkata

Dated: 9th May, 2023

UDIN: 23024282BGVKA06107



## **Annexure-B to the Independent Auditor's Report on the standalone financial statements of Birla Corporation Limited for the year ended 31st March, 2023**

### **Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)**

We have audited the internal financial controls with reference to the standalone financial statements of **BIRLA CORPORATION LIMITED** ("the Company") as of 31st March, 2023 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 with reference to the standalone financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. 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 with reference to the standalone financial statements 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 with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, 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 standalone 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 with reference to the standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to the standalone financial statements**

A Company's internal financial controls with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the standalone financial statements 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, 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 with reference to the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements 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 with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements

were operating effectively as at 31st March, 2023 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 issued by the ICAI.

**For V. Sankar Aiyar & Co.**

Chartered Accountants  
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)

Partner (M. No:024282)

UDIN: 23024282BGVKA06107

Place: Kolkata

Dated: 9th May, 2023

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

(₹ in Crores)

	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	5	3,425.18	3,304.16
Capital Work-In-Progress	5	113.64	198.16
Investment Property	6	1.10	0.40
Intangible Assets	7	31.67	29.32
Intangible Assets under Development	7	0.31	1.74
Biological Assets other than Bearer Plants	8	0.71	0.85
Investment in Subsidiaries	9	2,280.54	2,280.49
Financial Assets			
Investments	10	410.53	407.31
Loans	11	0.40	0.46
Other Financial Assets	12	155.49	137.63
Non Current Tax Asset (Net)		55.07	30.74
Other Non-Current Assets	13	83.92	80.12
<b>CURRENT ASSETS</b>			
Inventories	14	754.74	602.71
Financial Assets			
Investments	15	315.21	618.91
Trade Receivables	16	227.19	221.77
Cash and Cash Equivalents	17	71.05	72.92
Bank Balances other than Cash and Cash Equivalents	18	10.38	52.45
Loans	11	1.06	1.03
Other Financial Assets	12	70.06	134.87
Other Current Assets	13	179.03	185.77
Non-Current Assets classified as Held for Sale	19	0.68	1.08
<b>Total Assets</b>		<b>8,187.96</b>	<b>8,362.89</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	20	77.01	77.01
Other Equity	21	5,061.23	5,118.13
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	22	817.42	952.96
Lease Liabilities		49.55	52.41
Other Financial Liabilities	23	421.55	413.28
Provisions	24	41.45	40.73
Deferred Tax Liabilities (Net)	25	365.89	373.18
Non Current Tax Liabilities (Net)		0.40	1.26
Other Non-Current Liabilities	26	141.52	141.82
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	27	163.12	226.35
Lease Liabilities		3.00	2.71
Trade Payables	28		
- Total outstanding dues of micro enterprises and small enterprises		15.03	7.31
- Total outstanding dues of creditors other than micro enterprises and small enterprises		556.12	470.29
Other Financial Liabilities	23	281.88	268.34
Other Current Liabilities	26	180.89	204.54
Provisions	24	11.90	12.57
<b>Total Equity and Liabilities</b>		<b>8,187.96</b>	<b>8,362.89</b>
Basis of Preparation	2		
Significant Accounting Policies	3		
Significant Judgements and Key Estimates	4		
The Notes are an integral part of the Standalone Financial Statements			

As per our annexed Report of even date  
For **V. SANKAR AIYAR & CO.**  
Chartered Accountants  
Firm Registration No. 109208W

M. S. BALACHANDRAN  
Partner  
Membership No. 024282

Kolkata  
Date: 9th May, 2023

For and on behalf of the Board of Directors

ADITYA SARAOGI  
Chief Financial Officer

HARSH V. LODHA  
Chairman  
(DIN : 00394094)

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN: 08526143)

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>INCOME</b>			
Revenue from Operations	29	5,441.19	4,790.93
Other Income	30	102.42	94.39
<b>Total Income</b>		<b>5,543.61</b>	<b>4,885.32</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	31	1,090.48	993.49
Purchases of Stock-In-Trade	32	32.14	26.54
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	33	(42.37)	(13.98)
Employee Benefits Expense	34	361.01	332.52
Finance Costs	35	107.00	100.53
Depreciation and Amortisation Expense	36	187.31	176.86
Other Expenses	37	3,734.23	2,965.48
<b>Total Expenses</b>		<b>5,469.80</b>	<b>4,581.44</b>
<b>Profit before Exceptional Items and Tax</b>		<b>73.81</b>	<b>303.88</b>
Exceptional Items (Net)	38	25.46	31.44
<b>Profit before Tax</b>		<b>48.35</b>	<b>272.44</b>
Tax Expense:	39		
Current Tax		9.98	50.08
Deferred Tax		(7.03)	20.35
Income Tax for earlier years		-	(0.91)
		2.95	69.52
<b>Profit for the Year</b>		<b>45.40</b>	<b>202.92</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to profit or loss	40.1	(27.67)	282.11
Income tax relating to these items		1.85	(41.89)
		(25.82)	240.22
B. Items that will be reclassified to profit or loss	40.2	2.12	2.66
Income tax relating to these items		(1.59)	(0.93)
		0.53	1.73
<b>Other Comprehensive Income for the Year (Net of Tax)</b>		<b>(25.29)</b>	<b>241.95</b>
<b>Total Comprehensive Income for the Year</b>		<b>20.11</b>	<b>444.87</b>
Earnings Per Share (Face value of ₹ 10/- each)			
Basic & Diluted (₹)	47	5.90	26.35
Basis of Preparation	2		
Significant Accounting Policies	3		
Significant Judgements and Key Estimates	4		
The Notes are an integral part of the Standalone Financial Statements			

As per our annexed Report of even date  
For **V. SANKAR AIYAR & CO.**  
Chartered Accountants  
Firm Registration No. 109208W

M. S. BALACHANDRAN  
Partner  
Membership No. 024282

Kolkata  
Date: 9th May, 2023

**For and on behalf of the Board of Directors**

ADITYA SARAOGI  
Chief Financial Officer

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

HARSH V. LODHA  
Chairman  
(DIN : 00394094)

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN: 08526143)

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

a) Equity Share Capital (Refer Note No. 20)		(₹ in Crores)
Balance as at 1st April, 2021		77.01
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1st April, 2021		77.01
Add/(Less): Changes in Equity Share Capital during the year		-
<b>Balance as at 31st March, 2022</b>		<b>77.01</b>
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1st April, 2022		77.01
Add/(Less): Changes in Equity Share Capital during the year		-
<b>Balance as at 31st March, 2023</b>		<b>77.01</b>

## b) Other Equity (Refer Note No. 21)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income				Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income	Revaluation Surplus	
<b>Balance as at 1st April, 2022</b>	<b>1.05</b>	<b>24.96</b>	<b>2,727.18</b>	<b>1,079.38</b>	<b>(0.57)</b>	<b>(4.34)</b>	<b>346.07</b>	<b>944.40</b>	<b>5,118.13</b>
Profit for the Year	-	-	-	45.40	-	-	-	-	45.40
<b>Other Comprehensive Income / (Loss) for the year</b>									
Remeasurement Gain/(Loss) on Defined Benefit Plans	-	-	-	(0.45)	-	-	-	-	(0.45)
Revaluation Gain on Free Hold Land	-	-	-	-	-	-	-	-	-
Mark to Market Gain/(Loss)	-	-	-	-	(0.12)	2.24	3.28	-	5.40
Reversal of revaluation Gain on reclassification (Refer Note No.5.2)	-	-	-	-	-	-	-	(30.50)	(30.50)
Impact of Tax	-	-	-	0.16	(0.81)	(0.78)	(4.73)	6.42	0.26
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45.11</b>	<b>(0.93)</b>	<b>1.46</b>	<b>(1.45)</b>	<b>(24.08)</b>	<b>20.11</b>
Final Dividend Paid (₹ 10.00 per share)	-	-	-	(77.01)	-	-	-	-	(77.01)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-
<b>Total Appropriations/Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(77.01)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(77.01)</b>
<b>Balance as at 31st March, 2023</b>	<b>1.05</b>	<b>24.96</b>	<b>2,727.18</b>	<b>1,047.48</b>	<b>(1.50)</b>	<b>(2.88)</b>	<b>344.62</b>	<b>920.32</b>	<b>5,061.23</b>

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income				Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income	Revaluation Surplus	
<b>Balance as at 1st April, 2021</b>	<b>1.05</b>	<b>52.09</b>	<b>2,700.05</b>	<b>947.81</b>	<b>(0.40)</b>	<b>(6.24)</b>	<b>232.31</b>	<b>823.60</b>	<b>4,750.27</b>
Profit for the Year	-	-	-	202.92	-	-	-	-	202.92
<b>Other Comprehensive Income / (Loss) for the year</b>									
Remeasurement Gain/(Loss) on Defined Benefit Plans	-	-	-	8.70	-	-	-	-	8.70
Revaluation Gain on Free Hold Land	-	-	-	-	-	-	-	153.96	153.96
Mark to Market Gain/(Loss)	-	-	-	-	(0.25)	2.91	119.45	-	122.11
Impact of Tax	-	-	-	(3.04)	0.08	(1.01)	(5.69)	(33.16)	(42.82)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>208.58</b>	<b>(0.17)</b>	<b>1.90</b>	<b>113.76</b>	<b>120.80</b>	<b>444.87</b>
Final Dividend Paid (₹ 10.00 per share)	-	-	-	(77.01)	-	-	-	-	(77.01)
Transfer to General Reserve	-	(27.13)	27.13	-	-	-	-	-	-
<b>Total Appropriations/Adjustments</b>	<b>-</b>	<b>(27.13)</b>	<b>27.13</b>	<b>(77.01)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(77.01)</b>
<b>Balance as at 31st March, 2022</b>	<b>1.05</b>	<b>24.96</b>	<b>2,727.18</b>	<b>1,079.38</b>	<b>(0.57)</b>	<b>(4.34)</b>	<b>346.07</b>	<b>944.40</b>	<b>5,118.13</b>

The Notes are an integral part of the Standalone Financial Statements

 As per our annexed Report of even date  
 For **V. SANKAR AIYAR & CO.**  
 Chartered Accountants  
 Firm Registration No. 109208W

 M. S. BALACHANDRAN  
 Partner  
 Membership No. 024282

 Kolkata  
 Date: 9th May, 2023

**For and on behalf of the Board of Directors**

 ADITYA SARAOGI  
 Chief Financial Officer

 MANOJ KUMAR MEHTA  
 Company Secretary  
 & Legal Head

 HARSH V. LODHA  
 Chairman  
 (DIN : 00394094)

 SANDIP GHOSE  
 Managing Director  
 & Chief Executive Officer  
 (DIN: 08526143)

## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Cash Flow from Operating Activities:</b>		
<b>Profit after Exceptional Items &amp; before Tax</b>	48.35	272.44
<b>Adjustments for :</b>		
Depreciation & Amortisation	187.31	176.86
Investing Activities (Net)	(24.24)	(32.10)
Provision for Doubtful Debts	2.92	-
Bad Debts	-	0.03
(Profit)/Loss on sale/ discard of Property, Plant and Equipment / CWIP (Net)	0.29	(2.76)
(Profit)/Loss on sale of Non-Current Assets classified as Held for Sale	-	(0.03)
Fair Valuation for Biological Assets other than Bearer Plants	0.22	(0.01)
Amortisation of Deferred Revenue	(2.13)	(1.69)
Excess Liabilities, Unclaimed Balances and Provisions written back (Net)	(52.02)	(40.67)
Effect of Foreign Exchange Fluctuations	(7.02)	0.99
Fair Valuation of NCDs and related Derivative Instruments	0.15	-
Finance Costs	107.00	100.53
<b>Operating Profit before Working Capital changes</b>	<b>260.83</b>	<b>473.59</b>
<b>Adjustments for :</b>		
(Increase)/ Decrease in Trade Receivables	(5.79)	(24.79)
(Increase)/ Decrease in Inventories	(152.03)	(11.15)
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	(8.74)	40.81
Increase/ (Decrease) in Trade Payables & Other Liability	151.19	71.71
Increase/ (Decrease) in Provisions	(0.40)	10.91
<b>Cash generated from operations</b>	<b>245.06</b>	<b>561.08</b>
Direct Taxes (Paid) / Refund Received (Net)	(35.17)	(70.22)
<b>Net Cash from Operating Activities</b>	<b>209.89</b>	<b>490.86</b>
<b>Cash Flow from Investing Activities:</b>		
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(253.20)	(249.45)
Sale of Tangible Assets	4.40	4.34
(Purchase)/ Sale of Liquid Investments (Net)	59.78	(148.17)
Purchase of other Current Investments	(201.61)	(408.49)
Sale of other Current Investments	354.86	434.68
Purchase of Non-Current Investments	-	(0.28)
Sale of Non-Current Investments	-	0.76
Payment towards Investment in Subsidiary	(0.05)	-
Redemption of Investment in Cumulative Preference Shares of Subsidiary	100.00	-
(Increase)/ Decrease in Other Bank Balances	95.92	118.96
Interest received	3.79	9.78
Dividend received	12.53	51.65
<b>Net Cash used in Investing Activities</b>	<b>176.42</b>	<b>(186.22)</b>

**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	–	162.01
Repayments of Long Term Borrowings	(88.29)	(350.74)
(Repayments)/Proceeds from Short Term Borrowings (Net)	(116.92)	107.04
Payment of Lease Liabilities	(7.69)	(5.36)
Interest paid	(98.27)	(103.82)
Dividend paid	(77.01)	(77.01)
<b>Net Cash used in Financing Activities</b>	<b>(388.18)</b>	<b>(267.88)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(1.87)</b>	<b>36.76</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>72.92</b>	<b>36.16</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>71.05</b>	<b>72.92</b>
<b>Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)</b>	<b>71.05</b>	<b>72.92</b>
Overdraft Balance in Current Account shown under Short Term Borrowings	–	–
<b>Cash and Cash Equivalents (Closing Balance) after adjusting Overdraft balance</b>	<b>71.05</b>	<b>72.92</b>

**Note :**

 a) **Reconciliation of Liabilities arising from financing activities**

For FY 2022-23

Particulars	Balance as on 1st April, 2022	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/Other Adjustments	Balance as on 31st March, 2023
Long Term Borrowings (Including Current Maturity)	1,041.85	–	88.29	10.48	(4.04)	960.00
Short Term Borrowings (Excluding Overdraft Balance in Current Account and Current Maturity of Long Term Borrowings)	137.46	343.38	460.30	–	–	20.54

For FY 2021-22

Particulars	Balance as on 1st April, 2021	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/Other Adjustments	Balance as on 31st March, 2022
Long Term Borrowings (Including Current Maturity)	1,221.13	162.01	350.74	12.62	(3.17)	1,041.85
Short Term Borrowings (Excluding Overdraft Balance in Current Account and Current Maturity of Long Term Borrowings)	30.42	480.24	373.20	–	–	137.46

- b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- c) The composition of Cash & Cash Equivalents has been determined based on the Accounting Policy No. 3.2.
- d) Figures for the previous year have been re-grouped wherever considered necessary.
- e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- f) The Notes are an integral part of Standalone Financial Statements.

 As per our annexed Report of even date  
 For **V. SANKAR AIYAR & CO.**  
 Chartered Accountants  
 Firm Registration No. 109208W

 M. S. BALACHANDRAN  
 Partner  
 Membership No. 024282

**For and on behalf of the Board of Directors**

 ADITYA SARAOGI  
 Chief Financial Officer

 MANOJ KUMAR MEHTA  
 Company Secretary  
 & Legal Head

 HARSH V. LODHA  
 Chairman  
 (DIN : 00394094)

 SANDIP GHOSE  
 Managing Director  
 & Chief Executive Officer  
 (DIN: 08526143)

 Kolkata  
 Date: 9th May, 2023



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 1. CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited is the flagship company of the M. P. Birla Group. The Company is a Public Limited Listed Company domiciled and incorporated in India having its registered office at Kolkata, West Bengal, India. It was incorporated as per the provisions of the Companies Act as Birla Jute Manufacturing Company Limited in the year 1919. The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

These standalone financial statements ("the financial statements") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements of the Company for the year ended 31st March, 2023 have been approved by the Board of Directors in their meeting held on 9th May, 2023.

#### 2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial Assets and Liabilities (including Derivative Instruments) that is measured at fair value/ amortised cost;
- Non-Current Assets classified as Held for Sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined Benefit Plans - plan assets measured at fair value;
- Biological Assets - at fair value less cost to sell; and
- Freehold Land falling under Property, Plant & Equipment that is measured at fair valued amount less accumulated depreciation and accumulated impairment, if any.

#### 2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR or ₹), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Crores, unless otherwise stated. Wherever the amount represented ` "0.00" (Zero) construes value less than Rupees fifty thousand.

#### 2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

#### 2.5 Current versus Non-Current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- 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 the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

**3. SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the standalone financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

**3.1 Inventories**

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

**3.2 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of the Cash Flow Statement the same is net of outstanding bank overdrafts.

**3.3 Income Tax**

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

**3.3.1 Current Tax**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**3.3.2 Deferred Tax**

- Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.
- The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company would be subjected to lower tax rate.

### 3.4 Property, Plant and Equipment

#### 3.4.1 Recognition and Measurement

- Property, plant and equipment held for use in the production or/ and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Company had opted revaluation model, and the same is stated in the Balance Sheet at revalued amount less accumulated depreciation and accumulated impairment losses (if any). (Refer Note No.5.2).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Material items such as spare parts, stand-by equipment and service equipment are classified as property, plant and equipment when they meet the definition of property, plant and equipment.

#### 3.4.2 Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred 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 derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

#### 3.4.3 Depreciation and Amortization

- Depreciation is the systematic allocation of the depreciable amount of property, plant and equipment over its useful lives and is provided on straight line basis at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act, though these lives in certain cases are different from the lives prescribed in Schedule II.
- In case the cost of part of property, plant and equipment is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- Such classes of assets and their estimated useful lives are as under:

<b>Class of Assets</b>	<b>Useful Lives</b>
Freehold Land	Freehold land bearing mineral reserves depreciated on the basis of mineral material extraction (pro rata of mineral material extracted to total estimated mining reserve). Freehold non-mining land is not depreciated.
Building including Roads	5 to 60 years
Plant and Machinery (including Components)	2 to 40 years
Furniture & Fixture	10 years
Vehicles	8 to 10 years
Office Equipment	3 to 10 years
Railway Sidings	15 years
Right of Use Assets – Leasehold Land and Plant & Machinery	Depreciated over the period of respective lease agreement

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

**3.4.4 Disposal of Assets**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and loss.

**3.4.5 Reclassification to Investment Property**

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification. In case of such property was fair valued, the amount of gain / (loss) on account of such fair valuation is adjusted with revaluation reserve.

**3.4.6 Capital Work in Progress and Capital Advance**

Capital work-in-progress is stated at cost less accumulated impairment loss, if any, which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

**3.5 Leases**

**3.5.1 Determining whether an arrangement contains a lease**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**3.5.2 Company as lessor**

- Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### ➤ Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

### 3.5.3 Company as Lessee

The Company's lease asset classes primarily comprise of lease for land, building and Plant & Machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

#### ➤ **Right of Use Assets**

The Company recognizes right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment loss, if any, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right of use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of Non-Financial Assets'.

#### ➤ **Lease Liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if any.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other current and non-current financial liabilities.

#### ➤ **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use Asset" have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****3.6 Revenue Recognition**

The Company follows Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provides a control-based revenue recognition model and a five-step application approach for revenue recognition as under:

- Identification of the contract(s) with customers;
- Identification of the performance obligations;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations;
- Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue excludes amounts collected on behalf of third parties.

**3.6.1 Sale of Goods**

Revenue from the sale of goods is recognized when the Company satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration i.e. discounts, rebates, sales claim etc. offered by the Company as part of the contract.

**3.6.2 Variable Consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Company applies the most likely amount method for contracts with a single volume threshold and the expected value method for contracts with more than one volume threshold that best predicts the amount of variable consideration.

**3.6.3 Interest Income**

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

**3.6.4 Dividend Income**

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

**3.7 Employee Benefits****3.7.1 Short Term Benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

**3.7.2 Other Long Term Employee Benefits**

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

### 3.7.3 Post Employment Benefits

The Company operates the following post employment schemes:

#### ➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

#### ➤ Defined Contribution Plan

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on monthly basis.

Further in respect of other employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot be lower than the statutory rate of interest notified by the government. The Company has an obligation to make good the shortfall in the interest amount, if any. In view of the Company's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

### 3.7.4 Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

### 3.8 Government Grants

- Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in current/ non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.
- When loans or similar assistance are provided by governments or related institutions, without interest or with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### 3.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

**3.10 Borrowing Cost**

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

**3.11 Interest in Subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

**3.12 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**3.12.1 Financial Assets****➤ Recognition and Initial Measurement:**

All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**➤ Classification and Subsequent Measurement:**

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- The contractual terms of the financial 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 amortized cost using the effective interest rate (EIR) method.

- **Measured at FVTOCI:** A debt instrument is measured at the FVTOCI if both the following conditions are met:

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

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- **Equity Instruments measured at FVTOCI:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. 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. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to the Statement of Profit and Loss, even on sale of investment.

### ➤ **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### ➤ **Impairment of Financial Assets**

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected credit losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 3.12.2 Financial Liabilities

#### ➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### ➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****➤ 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 recognized 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 requirement of Ind AS 109 and the amount recognized less cumulative amortization.

**➤ Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**➤ Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counter party.

**3.12.3 Derivative financial instruments Hedge Accounting:**

- The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.
- Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).
- The Company designates certain hedging instruments in respect of certain foreign currency risk and interest rate risk as cash flow hedges. The Cash flow hedge are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:
  - hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges); or
  - hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges).
- The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.
- The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.
- The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.
- Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.
- When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 3.13 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 such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units - CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### 3.14 Provisions, Contingent Liabilities and Contingent Assets

#### 3.14.1 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

- **Restoration (including Mine closure), rehabilitation and decommissioning:**

It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred and are reviewed at each Balance Sheet date.

- **Onerous Contracts:**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

#### 3.14.2 Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to financial statements. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

#### 3.14.3 Contingent Assets

Contingent assets are not recognized in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

### 3.15 Intangible Assets

#### 3.15.1 Recognition and Measurement

##### 3.15.1.1 Mining Rights and Site Preparation Cost

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment loss, if any. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

**3.15.1.2 Other Intangible Assets**

Software which is not an integral part of related hardware, is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use.

**3.15.2 Subsequent Expenditure**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

**3.15.3 Amortization**

- Mining Rights including site preparation costs are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

**3.15.4 Disposal of Assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**3.15.5 Intangible Assets under Development**

Intangible Assets under development is stated at cost less accumulated impairment losses (if any). Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

**3.16 Investment properties**

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.
- When the use of a property changes from investment property to owner-occupied (for Company's business purpose), the property is reclassified as Property, Plant & Equipment at its carrying amount on the date of reclassification.

### 3.17 Biological Assets other than Bearer Plants

Biological Assets other than Bearer Plants are recognized when the Company controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A Biological Asset other than Bearer Plants is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

### 3.18 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the Balance Sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

### 3.19 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Operating segments of the Company comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance.

### 3.20 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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:

- In the principal market for the asset or liability, or
- 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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

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 input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided by the management of the Company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

**3.21 Earning per shares**

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**3.22 Standard Issued/ amended but not yet effective**

Ministry of Corporate Affairs ("MCA"), vide notification dated 31st March 2023, has made the following amendments to the existing standards which are effective from 1st April 2023:

**(a) Ind AS 1 Presentation of Financial Statements:** The amendments requires the companies to disclose their material accounting policies rather than their significant accounting policies.

**(b) Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors:** The amendment has introduced a definition of "accounting estimates" to help entities to distinguish changes in accounting policies from changes in accounting estimates.

**(c) Ind AS 12 Income Taxes:** This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

Based on preliminary assessment, the Company does not expect significant impact of these changes on its standalone financial statements.

**4. Significant Judgements and Key sources of Estimation in applying Accounting Policies**

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Leases:** The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

- **Restoration (including Mine closure), rehabilitation and decommissioning:** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Revenue Recognition:** The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts, rebates, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. Estimates of discounts and rebates are sensitive to changes in circumstances and the Company's past experience regarding returns, discount and rebate entitlements and may not be representative of customers' actual returns, discount and rebate entitlements in the future.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**5 PROPERTY, PLANT AND EQUIPMENT**

(₹ in Crores)

Particulars	Year Ended 31st March, 2023													
	Gross Carrying Amount							Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2022	Transfer from/(to) Investment Property (Refer Note No. 6.1)	Additions	Transfer	Disposals	Revaluation (Refer Note No. 5.2)	As at 31st March, 2023	As at 1st April, 2022	Transfer from/(to) Investment Property (Refer Note No. 6.1)	Charged during the year	Transfer	Deductions	As at 31st March, 2023	As at 31st March, 2023
Freehold Land (Refer Note No. 5.1 to 5.2)	1,332.96	(0.70)	25.28	-	-	(30.50)	1,327.04	-	-	4.89	-	-	4.89	1,322.15
<b>Sub-Total</b>	<b>1,332.96</b>	<b>(0.70)</b>	<b>25.28</b>	-	-	<b>(30.50)</b>	<b>1,327.04</b>	-	-	<b>4.89</b>	-	-	<b>4.89</b>	<b>1,322.15</b>
Buildings (Refer Note No. 5.1)	255.10	-	27.26	-	2.65	-	279.71	58.73	-	10.23	-	0.26	68.70	211.01
Plant and Machinery	2,596.02	-	270.14	-	8.75	-	2,857.41	921.25	-	147.31	-	7.06	1,061.50	1,795.91
Furniture and Fittings	10.00	-	2.42	-	-	-	12.42	5.52	-	0.75	-	-	6.27	6.15
Vehicles	24.71	-	0.42	-	0.17	-	24.96	14.75	-	2.16	-	0.07	16.84	8.12
Office Equipments	33.11	-	2.93	-	0.76	-	35.28	21.81	-	3.52	-	0.64	24.69	10.59
Railway Sidings	25.45	-	3.11	-	-	-	28.56	7.55	-	1.61	-	-	9.16	19.40
Right of Use Assets (Refer Note No. 46)														
- Leasehold Land	9.33	-	-	-	-	-	9.33	0.93	-	0.31	-	-	1.24	8.09
- Plant and Machinery	52.03	-	-	-	-	-	52.03	4.01	-	4.26	-	-	8.27	43.76
<b>Total</b>	<b>4,338.71</b>	<b>(0.70)</b>	<b>331.56</b>	-	<b>12.33</b>	<b>(30.50)</b>	<b>4,626.74</b>	<b>1,034.55</b>	-	<b>175.04</b>	-	<b>8.03</b>	<b>1,201.56</b>	<b>3,425.18</b>
<b>Capital Work-In-Progress</b>	<b>198.16</b>	-	<b>247.13</b>	<b>331.56</b>	<b>0.09</b>	-	<b>113.64</b>	-	-	-	-	-	-	<b>113.64</b>

Particulars	Year Ended 31st March, 2022													
	Gross Carrying Amount							Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2021	Transfer from/(to) Investment Property (Refer Note No. 6.1)	Additions	Transfer	Disposals	Revaluation (Refer Note No. 5.2)	As at 31st March, 2022	As at 1st April, 2021	Transfer from/(to) Investment Property (Refer Note No. 6.1)	Charged during the year	Transfer	Deductions	As at 31st March, 2022	As at 31st March, 2022
Freehold Land (Refer Note No. 5.1 to 5.2)	1,166.25	(0.27)	13.02	-	-	153.96	1,332.96	-	-	-	-	-	-	1,332.96
<b>Sub-Total</b>	<b>1,166.25</b>	<b>(0.27)</b>	<b>13.02</b>	-	-	<b>153.96</b>	<b>1,332.96</b>	-	-	-	-	-	-	<b>1,332.96</b>
Buildings (Refer Note No. 5.1)	239.07	-	16.04	-	0.01	-	255.10	49.22	-	9.52	-	0.01	58.73	196.37
Plant and Machinery	2,402.81	-	197.00	-	3.79	-	2,596.02	779.92	-	144.17	-	2.84	921.25	1,674.77
Furniture and Fittings	9.57	-	0.45	-	0.02	-	10.00	4.80	-	0.73	-	0.01	5.52	4.48
Vehicles	23.89	-	1.30	-	0.48	-	24.71	12.76	-	2.35	-	0.36	14.75	9.96
Office Equipments	29.27	-	4.28	-	0.44	-	33.11	18.96	-	3.25	-	0.40	21.81	11.30
Railway Sidings	14.90	-	10.70	-	0.15	-	25.45	6.27	-	1.34	-	0.06	7.55	17.90
Right of Use Assets (Refer Note No. 46)														
- Leasehold Land	9.33	-	-	-	-	-	9.33	0.62	-	0.31	-	-	0.93	8.40
- Plant & Machinery	27.97	-	24.06	-	-	-	52.03	0.16	-	3.85	-	-	4.01	48.02
<b>Total</b>	<b>3,923.06</b>	<b>(0.27)</b>	<b>266.85</b>	-	<b>4.89</b>	<b>153.96</b>	<b>4,338.71</b>	<b>872.71</b>	-	<b>165.52</b>	-	<b>3.68</b>	<b>1,034.55</b>	<b>3,304.16</b>
<b>Capital Work-In-Progress</b>	<b>189.87</b>	-	<b>251.08</b>	<b>242.79</b>	-	-	<b>198.16</b>	-	-	-	-	-	-	<b>198.16</b>

**Notes:**

**5.1** Gross carrying amount of Freehold Land includes ₹ 2.86 Crores (Previous Year ₹ 2.86 Crores) and gross carrying amount of Building includes ₹ 7.00 Crores (Previous Year ₹ 7.00 Crores) under Co-ownership basis and also ₹ 0.00 Crore (Previous Year ₹ 0.00 Crore) being value of investments in Shares of a Private Limited Company.

**5.2** The Company has adopted revaluation model for one class of Property, Plant and Equipment i.e. Freehold Land and have revalued as on 1st April, 2017 and 1st April, 2021 on the basis of valuation reports made by independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Carrying amount of Freehold Land as on 1st April, 2022 include revaluation surplus of ₹ 1,054.56 Crores and ₹ 153.96 Crores on account of revaluation made on 1st April, 2017 and 1st April, 2021 respectively. In the opinion of the management, as there is no significant change in the fair value indicators, no fair valuation is done as on 31st March 2023. During the current year, the Company has transferred certain portion of freehold land from Property, Plant and Equipment to Investment Property at cost resulting in reversal of earlier years revaluation gain amounting to ₹ 30.50 Crores. This reversal has been recognized and presented under "Other Comprehensive Income".

The fair valuation was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. This valuation was based on valuations performed by accredited independent registered valuer. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in level 2/ level 3 fair value hierarchy.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 5.3 Capital Work In Progress ageing schedule:

(₹ in Crores)

Particulars	As at 31st March, 2023				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	66.74	38.91	5.96	0.52	112.13
Projects temporarily Suspended	-	-	-	1.51	1.51
<b>Total</b>	<b>66.74</b>	<b>38.91</b>	<b>5.96</b>	<b>2.03</b>	<b>113.64</b>

Particulars	As at 31st March, 2022				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	146.66	38.63	11.19	0.17	196.65
Projects temporarily Suspended	-	-	-	1.51	1.51
<b>Total</b>	<b>146.66</b>	<b>38.63</b>	<b>11.19</b>	<b>1.68</b>	<b>198.16</b>

### 5.4 Capital Work In Progress completion schedule:

Details of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, are as follows:

#### As at 31st March, 2023

Particulars	To be completed in					Reasons
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
Projects in progress	-	-	-	-	-	-
<b>Projects temporarily suspended</b>						Reassessment of Technical usage feasibility is being done
- Grinding Units in Madhya Pradesh	-	-	1.51	-	1.51	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.51</b>	<b>-</b>	<b>1.51</b>	

#### As at 31st March, 2022

Particulars	To be completed in					Reasons
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
Projects in progress	-	-	-	-	-	-
<b>Projects temporarily suspended</b>						Reassessment of Technical usage feasibility is being done
- Grinding Units in Madhya Pradesh	-	-	1.51	-	1.51	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.51</b>	<b>-</b>	<b>1.51</b>	

### 5.5 The amount of expenditures recognized in the carrying amount of an item of Property, Plant and Equipment in the course of its construction:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Assets under construction	104.40	192.85
Expenditure incurred on Project Development Pending Capitalisation / allocation (Refer Note No. 5.5.1)	9.24	5.31
<b>Total</b>	<b>113.64</b>	<b>198.16</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

5.5.1 Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Pre-operative expenses pending allocation:</b>		
Opening Balance	5.31	5.92
Salaries, wages and bonus (Refer Note No. 34)	3.07	1.67
Other Expenses	0.92	0.94
<b>Total Pre-operative expenses</b>	<b>9.30</b>	<b>8.53</b>
Less: Capitalised/ charged during the year	0.06	3.22
<b>Balances included in Capital Work in Progress</b>	<b>9.24</b>	<b>5.31</b>

5.6 All the title deeds of the immovable property are held in the name of the Company.

5.7 Title deed for freehold land amounting to ₹ 11.89 Crores (Previous year ₹ 11.89 Crores), although in the name of Company, is in dispute and is pending resolution before the Court of Civil Judge, Rajgurunagar (Khed) and Additional Division Commissioner, Pune.

5.8 No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

5.9 Right of Use Assets includes:

(a) "Leasehold Land" represents land obtained on long term lease from various Government and other authorities.

(b) "Plant & Machinery" represents:

- Machinery recognized as per long term power purchase agreement in accordance with the principles of IND AS 116 "Leases" (Refer Note No. 62); and
- Railway Wagons recognized as per long term wagon leasing agreement in accordance with the principles of IND AS 116 "Leases".

5.10 Refer Note No. 43 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

5.11 Refer Note No. 44 for information on property, plant and equipment pledged as securities by the Company.

**6 INVESTMENT PROPERTY**

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Amount	0.42	0.15
Additions	-	-
Transferred to Property, Plant & Equipment (Refer Note No. 6.1)	0.70	0.27
Disposals	-	-
Other Adjustments	-	-
<b>Closing Gross Carrying Amount</b>	<b>1.12</b>	<b>0.42</b>
<b>Accumulated Depreciation</b>		
Opening Accumulated Depreciation	0.02	0.02
Depreciation charged during the year	0.00	0.00
<b>Closing Accumulated Depreciation</b>	<b>0.02</b>	<b>0.02</b>
<b>Net Carrying Amount</b>	<b>1.10</b>	<b>0.40</b>

6.1 During the year, freehold land of ₹ 0.70 Crore (Previous year ₹ 0.27 Crore) have been transferred to Investment Property from Property, Plant and Equipment as the same have been considered by the management as not for further use for business purposes and held for capital appreciation.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

6.2 Fair value of the Company's Investment Properties as at 31st March, 2023 and 31st March, 2022 are ₹ 59.30 Crores and ₹ 27.46 Crores respectively. The fair value has been arrived on the basis of valuation performed by independent registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, who are specialist in valuing these types of Investment Properties, having appropriate qualifications and recent experience in the valuation of properties in relevant locations.

6.3 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by accredited independent registered valuers. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

6.4 The amounts recognized in Statement of Profit and Loss in relation to the Investment Properties:

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Rental Income	0.06	0.39
Direct Operating Expenses in relation to		
– Properties generating rental income	–	0.43
– Properties not generating rental income	0.33	–

6.5 The Company has no restriction on the realisability of its Investment Properties or the remittance of income and proceeds of disposal. There is no contractual obligations to purchase, construct or develop Investment Property or for repairs, maintenance or enhancements.

### 7 INTANGIBLE ASSETS

Particulars	Year Ended 31st March, 2023										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2022	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March, 2023	As at 1st April, 2022	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2023	As at 31st March, 2023
Computer Software	9.70	2.13	–	–	11.83	7.59	1.83	–	–	9.42	2.41
Mining Rights (includes site preparation)	52.51	12.49	–	–	65.00	25.30	10.44	–	–	35.74	29.26
<b>Total</b>	<b>62.21</b>	<b>14.62</b>	<b>–</b>	<b>–</b>	<b>76.83</b>	<b>32.89</b>	<b>12.27</b>	<b>–</b>	<b>–</b>	<b>45.16</b>	<b>31.67</b>
<b>Intangible Assets under Development</b>	<b>1.74</b>	<b>13.19</b>	<b>14.62</b>	<b>–</b>	<b>0.31</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.31</b>

Particulars	Year Ended 31st March, 2022										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2021	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March, 2022	As at 1st April, 2021	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2022	As at 31st March, 2022
Computer Software	8.88	0.82	–	–	9.70	6.01	1.58	–	–	7.59	2.11
Mining Rights (includes site preparation)	39.64	12.87	–	–	52.51	15.54	9.76	–	–	25.30	27.21
<b>Total</b>	<b>48.52</b>	<b>13.69</b>	<b>–</b>	<b>–</b>	<b>62.21</b>	<b>21.55</b>	<b>11.34</b>	<b>–</b>	<b>–</b>	<b>32.89</b>	<b>29.32</b>
<b>Intangible Assets under Development</b>	<b>1.37</b>	<b>14.06</b>	<b>13.69</b>	<b>–</b>	<b>1.74</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1.74</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**Notes:**

**7.1 Intangible Assets under Development ageing schedule:**

(₹ in Crores)

Particulars	As at 31st March, 2023				
	Less than 1 Year	1–2 Years	2–3 Years	More than 3 Years	Total
Projects in progress	0.31	–	–	–	0.31
Projects temporarily Suspended	–	–	–	–	–
<b>Total</b>	<b>0.31</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.31</b>

Particulars	As at 31st March, 2022				
	Less than 1 Year	1–2 Years	2–3 Years	More than 3 Years	Total
Projects in progress	0.50	0.08	–	1.16	1.74
Projects temporarily Suspended	–	–	–	–	–
<b>Total</b>	<b>0.50</b>	<b>0.08</b>	<b>–</b>	<b>1.16</b>	<b>1.74</b>

**7.2** There is no intangible assets under development as on 31st March 2023 and 31st March 2022, whose completion is overdue or has exceeded its cost compared to its original plan.

**7.3** The Company has not revalued its intangible assets.

**7.4** Refer Note No. 43 for disclosure of contractual commitments for the acquisition of intangible assets.

**7.5** Refer Note No. 44 for information on intangible assets pledged as securities by the Company.

**8 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS**

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening Balance	0.85	0.84
Additions/ Acquisitions	0.08	–
Disposals	–	0.00
Fair Value Adjustments	(0.22)	0.01
<b>Closing Balance</b>	<b>0.71</b>	<b>0.85</b>

**8.1** The Company owns Bearer Biological Assets i.e., livestock from which milk is produced. The livestock is maintained by the Company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 9. INVESTMENT IN SUBSIDIARIES

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹) unless otherwise stated	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>EQUITY INVESTMENTS VALUED AT COST</b>						
<b>UNQUOTED (FULLY PAID UP)</b>						
<b>Investment In Subsidiaries</b>						
Birla Corporation Cement Manufacturing PLC	9.1	1,000 Birr	1,699	0.45	1,699	0.45
Less: Impairment				0.45		0.45
Net				-		-
Lok Cement Limited		10	12,50,700	1.26	12,50,700	1.26
Less: Impairment				1.01		1.01
Net				0.25		0.25
RCCPL Private Limited		10	31,28,22,900	2,272.26	31,28,22,900	2,272.26
Talavadi Cements Limited		10	58,80,400	5.88	58,80,400	5.88
Budge Budge Floorcoverings Limited		10	40,00,000	2.00	40,00,000	2.00
Birla Cement (Assam) Limited		10	50,000	0.05	50,000	0.05
Birla Jute Supply Company Limited		10	6,000	0.03	6,000	0.03
M.P. Birla Group Services Private Limited	9.2	10	70,000	0.07	20,000	0.02
<b>TOTAL</b>				<b>2,280.54</b>		<b>2,280.49</b>
<b>Aggregate amount of Unquoted Investments</b>				<b>2,282.00</b>		<b>2,281.95</b>
<b>Aggregate amount of Impairment in value of Investments</b>				<b>1.46</b>		<b>1.46</b>

#### Notes :

**9.1** The Company stands liquidated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

**9.2** The Company has subscribed for the Right Issue of equity share aggregating to 50,000 @ ₹ 10/- per share.

### 10. NON-CURRENT INVESTMENTS

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>A INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>						
<b>EQUITY INSTRUMENTS (FULLY PAID UP)</b>						
<b>QUOTED</b>						
Century Textiles & Industries Limited		10	18,07,660	114.61	18,07,660	154.47
Birla Cables Limited		10	53,88,515	67.14	53,88,515	84.44
Universal Cables Limited		10	8,00,157	28.69	8,00,157	11.06
Hindustan Media Ventures Limited		10	4,440	0.02	4,440	0.03
The Rameshwara Jute Mills Limited	10.1	10	19,133	5.60	19,133	0.01
Vindhya Telelinks Limited		10	100	0.01	100	0.01
Birla Precision Technologies Limited		2	2,121	0.01	2,121	0.01
Zenith Steel Pipes and Industries Limited		10	6,362	0.00	6,362	0.00
UltraTech Cement Limited		10	2,25,957	172.23	2,25,957	149.18
<b>Subtotal</b>				<b>388.31</b>		<b>399.21</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>UNQUOTED</b>						
Birla Buildings Limited	10.1	10	24,000	1.05	24,000	0.02
Neosym Industry Limited	10.1	10	52,000	13.16	52,000	0.01
Lotus Court Limited	10.2	10	1	0.01	1	0.01
Industry House Limited	10.2	10	600	0.01	600	0.01
The Eastern Economist Limited	10.2	10	400	0.01	400	0.01
Woodlands Multispeciality Hospital Limited	10.2	10	520	0.00	520	0.00
Twin Star Venus Co-Operative Society Housing Society Limited	10.2	10	10	0.00	10	0.00
Elgin Mills Company Limited	10.2 & 10.3	10	2,250	0.00	2,250	0.00
Bally Jute Mills Employees Consumers' Co-operative Stores Limited	10.2	10	250	0.00	250	0.00
Gangangiri Park Co-Operative Society Housing Society Limited	10.2	10	15	0.00	15	0.00
Craig Jute Mills Limited	10.2	3	50	0.00	50	0.00
<b>Subtotal</b>				<b>14.24</b>		<b>0.06</b>
<b>Investment in Quoted Government Securities</b>						
8.97% GOI 2030	10.4	100	1,00,000	1.13	1,00,000	1.17
<b>Subtotal</b>				<b>1.13</b>		<b>1.17</b>
<b>Investments In Quoted Bonds</b>						
9.70% IFCI Limited 2030		10,00,000	63	6.32	63	6.33
9.55% IFCI Limited 2025		10,00,000	5	0.53	5	0.54
<b>Subtotal</b>				<b>6.85</b>		<b>6.87</b>
<b>TOTAL (A)</b>				<b>410.53</b>		<b>407.31</b>
<b>B INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS</b>						
<b>Investment In Preference Shares - Unquoted (Fully paid up)</b>						
Elgin Mills Company Limited. - 5% Preference Shares	10.2 & 10.3	10	100	0.00	100	0.00
<b>Subtotal</b>				<b>0.00</b>		<b>0.00</b>
<b>TOTAL (B)</b>				<b>0.00</b>		<b>0.00</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>				<b>410.53</b>		<b>407.31</b>
<b>Aggregate Book Vaue of Quoted Investments</b>				<b>396.29</b>		<b>407.25</b>
<b>Aggregate Fair Value of Quoted Investments</b>				<b>396.29</b>		<b>407.25</b>
<b>Aggregate amount of Unquoted Investments</b>				<b>14.24</b>		<b>0.06</b>
<b>Aggregate amount of Impairment in value of Investments</b>				<b>-</b>		<b>-</b>

**Notes:**

- 10.1** Fair valuation carried out on the basis of net worth of investee companies computed on the basis of previous year signed financials of respective companies.
- 10.2** Fair valuation not carried out as the investment amounts and fair value of investments (as per net worth of the investee companies), are not significant.
- 10.3** The Investee company is under liquidation.
- 10.4** Lien marked in favour of Clearing Corporation of India Limited.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 11 LOANS

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Loans &amp; Advances to Related Parties</b>	11.1, 11.2 & 11.3				
Loan Receivables		–	–	0.07	0.07
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		–	–	–	–
<b>Loans &amp; Advances to Others</b>	11.1, 11.2 & 11.3				
Loan Receivables		0.40	0.46	1.06	1.03
Less: Provision for Doubtful Receivables		–	–	0.00	0.00
		0.40	0.46	1.06	1.03
<b>Total</b>		<b>0.40</b>	<b>0.46</b>	<b>1.06</b>	<b>1.03</b>
<b>11.1 Break Up of Loans</b>					
Loan Receivables considered good – Secured		–	–	–	–
Loan Receivables considered good – Unsecured		0.40	0.46	1.06	1.03
Loan Receivables which have significant increase in Credit Risk		–	–	0.07	0.07
Loan Receivables – Credit Impaired		–	–	–	–
		0.40	0.46	1.13	1.10
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		<b>0.40</b>	<b>0.46</b>	<b>1.06</b>	<b>1.03</b>

**11.2** No Loans are due from directors or other officers of the Company either severally or jointly with any other person. No Loan due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in Note No. 11.3 given below.

**11.3** Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

Particulars	Refer Note No.	Balance Outstanding		Maximum amount Outstanding	
		As at		For the year ended	
		31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
<b>i. Subsidiary Companies</b>					
RCCPL Private Limited	(ii)(b)	–	–	–	13.62
Lok Cement Limited	(ii)(b)	–	–	0.00	0.00
Birla Corporation Cement Manufacturing PLC	(ii)(a) & (c)	–	–	0.07	0.07
Talavadi Cements Limited	(ii)(b)	–	–	0.03	0.07
Birla Jute Supply Company Limited	(ii)(b)	–	–	0.00	0.00
Budge Budge Floorcoverings Limited	(ii)(b)	–	–	0.01	0.01
Birla Cement (Assam) Limited	(ii)(b)	–	–	0.00	0.00
M. P. Birla Group Services Private Limited	(ii)(b)	–	–	0.00	0.00
<b>ii. Purpose for which the advance was provided</b>					
a. Advance given for implementation of Project					
b. Advance given for working capital needs					
c. Net of Provision for Doubtful Receivables					
<b>iii. For Guarantee refer Note No. 41.4 and for Investments refer Note No. 9, 10, 15 &amp; 62.</b>					

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**12 OTHER FINANCIAL ASSETS**

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Security Deposits</b>					
Unsecured, considered good	62	38.96	27.97	0.90	8.61
		38.96	27.97	0.90	8.61
Incentive and Subsidy Receivable	55.1.2	138.58	138.58	35.45	34.51
Less : Provision for Expected Credit Loss	55.1.2	33.61	33.61	0.45	0.45
		104.97	104.97	35.00	34.06
Other Deposits, Advances and Claims Recoverable					
Unsecured, considered good	12.1	–	1.64	13.51	19.59
Unsecured, considered doubtful		1.50	–	3.10	2.01
		1.50	1.64	16.61	21.60
Less: Provision for Doubtful Advances		1.50	–	3.10	2.01
		–	1.64	13.51	19.59
Deposits with Bank having maturity of more than one year from the balance sheet date	12.2	0.72	0.63	–	–
Fixed Deposit with Others		–	–	16.00	70.00
Interest Accrued on Deposits		0.09	0.05	1.10	2.33
Derivative Contracts (Net)		8.37	–	3.52	0.23
Amount Paid Under Protest		2.38	2.37	–	–
Others		–	–	0.03	0.05
		11.56	3.05	20.65	72.61
<b>Total</b>		<b>155.49</b>	<b>137.63</b>	<b>70.06</b>	<b>134.87</b>

**12.1** No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

**12.2** Represents deposits marked lien in favour of Govt. Authorities and Banks.

**13 OTHER ASSETS**

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Advance against supply of Goods and Services		–	–	133.12	151.94
Less : Provision for Doubtful Advances		–	–	–	0.04
		–	–	133.12	151.90
Capital Advances		18.82	31.49	–	–
Prepaid Expenses		2.32	1.60	4.79	5.33
Amount Paid Under Protest		44.46	44.32	–	–
Balances with Government & Statutory Authorities		15.96	0.28	35.65	18.68
<b>Security Deposits</b>					
Unsecured considered good		1.78	1.85	–	0.44
Other Advances		0.58	0.58	5.47	9.42
(Including Balance with Gratuity Fund)					
<b>Total</b>		<b>83.92</b>	<b>80.12</b>	<b>179.03</b>	<b>185.77</b>

**13.1** No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except ₹ 0.05 Crore (Previous Year ₹ 4.96 Crores) are receivables from a private company in which a director of the Company is director.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 14 INVENTORIES

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
(As valued and certified by the Management)	3.1		
Raw Materials	14.1	124.88	95.10
Work-In-Progress	14.1	93.35	98.10
Finished Goods	14.1	133.14	85.73
Stock-In-Trade		0.75	1.04
Stores and Spares	14.1	201.89	188.94
Fuels	14.1	201.12	129.20
Packing Materials		13.33	13.76
		<b>768.46</b>	<b>611.87</b>
Less: Provision on Non-Moving Stores and Spares		13.72	9.16
<b>Total</b>		<b>754.74</b>	<b>602.71</b>
<b>14.1</b> The above includes goods-in-transit as under:			
Raw Materials		7.34	2.04
Work-In-Progress		0.54	3.88
Finished Goods		11.92	2.20
Stores and Spares		1.58	0.03
Fuels		–	0.51
<b>Total</b>		<b>21.38</b>	<b>8.66</b>

**14.2** Refer Note No. 44 for information on amount of inventories pledged as securities by the Company.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**15. CURRENT INVESTMENTS**

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>A INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
<b>Investments in Mutual Funds</b>						
<b>UNQUOTED</b>						
Axis Liquid Fund – Direct Growth			–	–	84,757	20.03
Axis Money Market Fund Direct Growth			–	–	1,04,509	12.04
Axis Treasury Advantage Fund– Direct Growth			11,102	3.03	–	–
Bandhan Money Manager Fund Growth– Direct Plan	15.1		13,59,193	5.01	25,85,925	9.03
Bandhan Banking & PSU Debt Fund– Direct Plan– Growth	15.1		–	–	19,95,380	4.07
Bandhan Liquid Fund– Growth– Direct Plan (Formerly IDFC cash Fund– Growth– Direct Plan)	15.1		25,782	7.01	77,900	20.03
Bandhan Ultra Short Term Fund – Direct Plan – Growth	15.1		3,04,90,059	39.89	5,42,33,467	67.31
Baroda BNP Paribas Liquid Fund – Direct Growth			15,426	4.00	–	–
Baroda BNP Paribas Money Market Fund – Direct Plan – Growth			8,508	1.01	–	–
DSP Savings Fund– Direct Plan– Growth			–	–	11,44,351	5.01
DSP Liquidity Fund– Direct Plan– Growth			9,338	3.00	–	–
HSBC Ultra Short Duration Fund– Direct Growth	15.1		60,717	7.07	1,15,26,884	41.95
HSBC Liquid Fund– Direct Growth (Formerly known as HSBC Cash Fund– Growth Direct Plan)	15.1		47,340	10.61	68,633	20.00
HSBC Money Market Fund– Direct Growth	15.1		–	–	27,10,589	6.03
HDFC Money Market Fund– Direct Plan– Growth Option			14,338	7.05	10,791	5.02
HDFC Liquid Fund– Direct Plan– Growth Option			29,431	13.02	–	–
HDFC Ultra Short Term Fund –Direct Growth			–	–	1,29,05,281	16.02
ICICI Prudential Ultra Short Term Fund– Direct Plan– Growth			–	–	8,40,132	2.01
ICICI Prudential Liquid Fund– Direct Plan– Growth			6,01,382	20.04	5,07,697	16.01
ICICI Prudential Savings Fund– Direct Plan– Growth			1,31,046	6.06	–	–
Invesco India Money Market Fund– Direct Plan Growth			–	–	67,240	17.09
Invesco India Ultra Short term Fund –Direct Plan Growth			–	–	21,766	5.02
Invesco India Liquid Fund– Direct Plan Growth			29,155	9.01	66,493	19.44
Invesco India Treasury Advantage Fund– Direct Plan Growth			21,800	7.27	–	–
Kotak Liquid Fund Direct Plan Growth			–	–	11,622	5.00
Kotak Money Market Fund –Direct Plan– Growth			9,215	3.53	69,410	25.13
Kotak Savings Fund – Direct Plan – Growth			30,69,151	11.68	30,69,151	11.06
LIC MF Savings Fund –Direct Plan– Growth			13,92,091	5.04	14,57,623	5.02
LIC MF Liquid Fund– Direct Plan– Growth			12,247	5.01	–	–
Mahindra Manulife Liquid Fund– Direct– Growth			20,493	3.00	36,129	5.00
Nippon India Liquid Fund – Direct Plan Growth Plan –Growth Option			14,547	8.01	52,516	27.35
Nippon India Money Market Fund –Direct Growth Plan Growth Option			14,207	5.04	74,946	25.11
PGIM India Liquid Fund– Direct Plan– Growth			2,38,904	7.01	1,80,266	5.00
PGIM India Ultra Short Duration Fund– Direct Plan– Growth			–	–	28,05,184	8.04
Sundaram Liquid Fund –Direct Plan Growth			60,444	12.02	26,614	5.00
Sundaram Ultra Short Duration Fund– Direct Growth			8,135	2.02	–	–
Sundaram Overnight Fund– Direct Growth			8,395	1.00	–	–
SBI Liquid Fund Direct Growth			8,520	3.00	45,063	15.02
SBI Magnum Low Duration Fund Direct – Growth			9,891	3.03	–	–
SBI Magnum Ultra Short Duration Fund Direct Growth			–	–	41,045	20.10
SBI Floating Rate DEBT Fund Direct Plan Growth			–	–	94,28,776	10.04
Tata Money Market Fund Direct Plan –Growth			13,206	5.35	68,360	26.15
Tata Liquid Fund Direct Plan– Growth			9,586	3.40	20,890	7.02
Tata Overnight Fund Direct Plan– Growth			–	–	4	0.00
UTI Liquid Cash Plan– Direct Plan– Growth			10,860.34	4.01	14,338	5.00
<b>Sub Total</b>				<b>225.23</b>		<b>491.15</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>QUOTED</b>						
Nippon India Quarterly Interval Fund -Series II -Direct Growth Plan Growth Option			6,45,058	2.02	-	-
Nippon India Quarterly Interval Fund -Series III -Direct Growth Plan Growth Option			10,94,546	2.01	-	-
Kotak FMP Series 307 -Direct Plan- Growth			29,99,850	3.02	-	-
<b>Sub Total</b>				<b>7.05</b>		<b>-</b>
<b>Investment In Preference Shares - Unquoted (Fully paid up)</b>						
RCCPL Private Limited - 10% Redeemable Cumulative Preference Shares	15.2	100	-	-	1,00,00,000	102.77
<b>Sub Total</b>				<b>-</b>		<b>102.77</b>
<b>TOTAL (A)</b>				<b>232.28</b>		<b>593.92</b>
<b>B INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>						
<b>Investment in Quoted Non - Convertible Debentures &amp; Bonds</b>						
5.70% Cholamandalam Investment & Finance Co. Ltd 2023		10,00,000	300	31.43	-	-
5.2459% Kotak Mahindra Prime Limited 2023		10,00,000	250	25.99	-	-
5.04% Indian Railway Finance Corporation Limited 2023		10,00,000	250	25.51	-	-
2% Tata Steel Limited 2022		10,00,000	-	-	134	24.99
<b>Sub Total</b>				<b>82.93</b>		<b>24.99</b>
<b>TOTAL (B)</b>				<b>82.93</b>		<b>24.99</b>
<b>TOTAL CURRENT INVESTMENTS</b>				<b>315.21</b>		<b>618.91</b>
<b>Aggregate Book value of Quoted Investments</b>				<b>89.98</b>		<b>24.99</b>
<b>Aggregate Fair Value of Quoted Investments</b>				<b>89.98</b>		<b>24.99</b>
<b>Aggregate amount of Unquoted Investments</b>				<b>225.23</b>		<b>593.92</b>
<b>Aggregate amount of Impairment in Value of Investments</b>				<b>-</b>		<b>-</b>

### Notes:

- 15.1** L&T Mutual Fund and IDFC Mutual Fund were takeover by HSBC Mutual Fund and Bandhan Mutual Fund respectively and all the schemes were renamed accordingly.
- 15.2** Preference Shares of RCCPL Private Limited redeemed on 22nd December, 2022.
- 15.3** The Company has not traded or invested in crypto currency or virtual currency during the year ended 31st March, 2023 and 31st March, 2022.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**16 TRADE RECEIVABLES**

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	16.1 & 16.2	238.00	232.21
Less: Provision for Doubtful Receivables		10.81	10.44
<b>Total</b>		<b>227.19</b>	<b>221.77</b>
<b>Break Up of Trade Receivables</b>			
Trade Receivables considered good - Secured		87.53	90.80
Trade Receivables considered good - Unsecured		139.66	130.97
Trade Receivables which have significant increase in Credit Risk		10.81	10.44
Trade Receivables-Credit Impaired		-	-
<b>Total</b>		<b>238.00</b>	<b>232.21</b>
Less: Provision for Doubtful Receivables		10.81	10.44
<b>Total</b>		<b>227.19</b>	<b>221.77</b>

**16.1** Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. Refer Note No. 44 for information on amount of trade receivables pledged as securities by the Company.

**16.2** No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except ₹ 17.87 Crores (Previous year ₹ 42.94 Crores) is receivable from a private company in which directors of the Company are directors.

**16.3 Trade Receivables ageing schedule**
**As at 31st March, 2023**

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1–2 Years	2–3 Years	More than 3 Years	
(i) Undisputed Trade Receivables – considered good	81.54	137.52	3.46	1.96	0.80	1.70	<b>226.98</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.07	1.34	<b>1.41</b>
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	0.21	<b>0.21</b>
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.02	-	0.10	9.28	<b>9.40</b>
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>81.54</b>	<b>137.52</b>	<b>3.48</b>	<b>1.96</b>	<b>0.97</b>	<b>12.53</b>	<b>238.00</b>
Less: Provision for Doubtful Receivables							<b>10.81</b>
<b>Net Trade Receivables</b>							<b>227.19</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

As at 31st March, 2022

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1–2 Years	2–3 Years	More than 3 Years	
(i) Undisputed Trade Receivables – considered good	26.49	185.29	4.54	2.42	0.68	2.35	<b>221.77</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	0.16	1.48	<b>1.64</b>
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	0.13	8.67	<b>8.80</b>
(vi) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
<b>Total Trade Receivables</b>	<b>26.49</b>	<b>185.29</b>	<b>4.54</b>	<b>2.42</b>	<b>0.97</b>	<b>12.50</b>	<b>232.21</b>
Less: Provision for Doubtful Receivables							<b>10.44</b>
<b>Net Trade Receivables</b>							<b>221.77</b>

16.4 There are no unbilled trade receivables as on 31st March, 2023 and 31st March, 2022.

### 17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks :			
In Current/ Cash Credit Accounts		30.88	32.79
In Deposit Accounts with Original Maturity of less than three months		40.00	40.02
Cheques/ Drafts on Hand		–	0.00
Cash on Hand		0.17	0.11
<b>Total</b>		<b>71.05</b>	<b>72.92</b>

### 18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Balance in Unpaid Dividend Accounts		1.35	1.41
Other Fixed Deposit with Banks	18.1	9.03	51.04
<b>Total</b>		<b>10.38</b>	<b>52.45</b>

18.1 Includes deposits marked lien in favour of Govt. Authorities and Banks.

**9.02** **8.75**

### 19 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	0.68	1.08
<b>Total</b>		<b>0.68</b>	<b>1.08</b>

**19.1 Unit Auto Trim Division:** Suspension of Operation was declared of the Company's unit Auto Trim Division at Birlapur, West Bengal w.e.f. 18th February, 2014. There have been no operations at Chakan Plant, Maharashtra and at Gurgaon Plant, Haryana since August, 2007 and November, 2007 respectively. A resolution was passed by the Board of Directors of the Company on 3rd May, 2019 for disposal of remaining assets of the Unit situated at Birlapur (West Bengal), Chakan (Maharashtra) and Gurgaon (Haryana). The Board has also passed resolutions and declared "Closure of Manufacturing Establishments" for Biralpur Unit and Gurgaon Unit from 30th July, 2021 and 1st September, 2022 respectively. During the year, Company has disposed off the major portion of Plant and Machinery of Birlapur unit and sale balance items of Birlapur Unit and Other Units are expected to be completed by March, 2024. The assets of the Unit comprising Plant & Machineries are presented within total assets of the "Other Segment Assets" under Segment Reporting.

#### Non recurring fair value measurements

The fair value of the Plant & Machineries, classified as held for sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in accounting policies related to fair value measurement. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**20 EQUITY SHARE CAPITAL**

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>20.1 Authorised Share Capital</b>				
Ordinary Shares of ₹ 10/- each	9,00,00,000	90.00	9,00,00,000	90.00
Preference Shares of ₹ 100/- each	10,00,000	10.00	10,00,000	10.00
<b>Total</b>	<b>9,10,00,000</b>	<b>100.00</b>	<b>9,10,00,000</b>	<b>100.00</b>
<b>20.2 Issued Share Capital</b>				
Ordinary Shares of ₹ 10/- each	7,70,13,416	77.01	7,70,13,416	77.01
<b>Total</b>	<b>7,70,13,416</b>	<b>77.01</b>	<b>7,70,13,416</b>	<b>77.01</b>
<b>20.3 Subscribed and Paid-up Share Capital</b>				
Ordinary Shares of ₹ 10/- each fully paid-up	7,70,05,347	77.01	7,70,05,347	77.01
Add: Forfeited Ordinary Shares (Amount originally paid-up)	-	0.00	-	0.00
<b>Total</b>	<b>7,70,05,347</b>	<b>77.01</b>	<b>7,70,05,347</b>	<b>77.01</b>

**20.4 Reconciliation of the number of shares at the beginning and at the end of the year**

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

**20.5 Terms/ Rights attached to Equity Shares :**

The Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

**20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company**

The Company does not have any Holding Company or Ultimate Holding Company.

**20.7 Details of Shareholding of Promoters in the Company**

Name of Promoters	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Estate of Late Smt Priyamvada Devi Birla represented by Justice Mohit Shantilal Shah, Shri Mahendra Kumar Sharma and Shri Amal Chandra Chakrabortti in their capacity as Administrators pendente lite	1,260	0.00%	1,260	0.00%	NIL
August Agents Limited	60,15,912	7.81%	60,15,912	7.81%	NIL
Baroda Agents & Trading Co. Private Limited	9,14,355	1.19%	9,14,355	1.19%	NIL
Belle Vue Clinic	1,75,148	0.23%	1,75,148	0.23%	NIL
Birla Cable Limited	280	0.00%	280	0.00%	NIL
Birla Financial Corporation Limited	280	0.00%	280	0.00%	NIL
East India Investment Co. Private Limited	73,475	0.10%	73,475	0.10%	NIL
Eastern India Educational Institution	33,61,200	4.36%	33,61,200	4.36%	NIL
Express Dairy Company Limited	280	0.00%	280	0.00%	NIL
Gwalior Webbing Co. Private Limited	17,75,200	2.31%	17,75,200	2.31%	NIL
Hindustan Gum & Chemicals Limited	2,70,000	0.35%	2,70,000	0.35%	NIL
Hindustan Medical Institution	71,59,460	9.30%	71,59,460	9.30%	NIL
Insilco Agents Limited	60,04,080	7.80%	60,04,080	7.80%	NIL
Laneseda Agents Limited	59,94,680	7.78%	59,94,680	7.78%	NIL
M.P. Birla Foundation Educational Society	1,00,100	0.13%	1,00,100	0.13%	NIL
M.P. Birla Institute of Fundamental Research	100	0.00%	100	0.00%	NIL
Mazbat Tea Estate Limited	14,67,689	1.91%	14,67,689	1.91%	NIL
Punjab Produce Holdings Limited	36,65,407	4.76%	36,65,407	4.76%	NIL
Shreyas Medical Society	1,17,740	0.15%	1,17,740	0.15%	NIL
South Point Foundation	1,40,000	0.18%	1,40,000	0.18%	NIL
The Punjab Produce & Trading Co. Private Limited	45,20,572	5.87%	45,20,572	5.87%	NIL
Universal Cables Limited	2,96,730	0.39%	2,96,730	0.39%	NIL
Vindhya Teelinks Limited	63,80,243	8.29%	63,80,243	8.29%	NIL

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

Name of Promoters	As at 31st March, 2022		As at 31st March, 2021		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Estate of Late Smt Priyamvada Devi Birla represented by Justice Mohit Shantilal Shah, Shri Mahendra Kumar Sharma and Shri Amal Chandra Chakrabortti in their capacity as Administrators pendente lite	1,260	0.00%	1,260	0.00%	NIL
August Agents Limited	60,15,912	7.81%	60,15,912	7.81%	NIL
Baroda Agents & Trading Co. Private Limited	9,14,355	1.19%	9,14,355	1.19%	NIL
Belle Vue Clinic	1,75,148	0.23%	1,75,148	0.23%	NIL
Birla Cable Limited	280	0.00%	280	0.00%	NIL
Birla Financial Corporation Limited	280	0.00%	280	0.00%	NIL
East India Investment Co. Private Limited	73,475	0.10%	73,475	0.10%	NIL
Eastern India Educational Institution	33,61,200	4.36%	33,61,200	4.36%	NIL
Express Dairy Company Limited	280	0.00%	280	0.00%	NIL
Gwalior Webbing Co. Private Limited	17,75,200	2.31%	17,75,200	2.31%	NIL
Hindustan Gum & Chemicals Limited	2,70,000	0.35%	2,70,000	0.35%	NIL
Hindustan Medical Institution	71,59,460	9.30%	71,59,460	9.30%	NIL
Insilco Agents Limited	60,04,080	7.80%	60,04,080	7.80%	NIL
Laneseda Agents Limited	59,94,680	7.78%	59,94,680	7.78%	NIL
M.P. Birla Foundation Educational Society	1,00,100	0.13%	1,00,100	0.13%	NIL
M.P. Birla Institute of Fundamental Research	100	0.00%	100	0.00%	NIL
Mazbat Tea Estate Limited	14,67,689	1.91%	14,67,689	1.91%	NIL
Punjab Produce Holdings Limited	36,65,407	4.76%	36,65,407	4.76%	NIL
Shreyas Medical Society	1,17,740	0.15%	1,17,740	0.15%	NIL
South Point Foundation	1,40,000	0.18%	1,40,000	0.18%	NIL
The Punjab Produce & Trading Co. Private Limited	45,20,572	5.87%	45,20,572	5.87%	NIL
Universal Cables Limited	2,96,730	0.39%	2,96,730	0.39%	NIL
Vindhya Telelinks Limited	63,80,243	8.29%	63,80,243	8.29%	NIL

### 20.8 Details of Equity Shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Ordinary Shares of ₹ 10/- each fully paid</b>				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. Private Limited	45,20,572	5.87	45,20,572	5.87

**20.9** No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**20.10** The Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared.

**20.11** No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

**20.12** No calls are unpaid by any Director or Officer of the Company during the year.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**21 OTHER EQUITY (Refer Statement of Change in Equity)**

(₹ in Crores)

**The Description of the nature and purpose of each reserve within equity is as follows:**

- 21.1 Capital Reserve:** Capital reserve are mainly the reserve created during business combination for the gain on bargain purchase.
- 21.2 Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable as per the amendment in the Companies (Share capital and Debentures) Rules, 2014. Accordingly, the Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.
- 21.3 General Reserve:** General reserve is created out of retained earnings and being used for appropriation purposes.
- 21.4 Retained Earnings:** Retained earnings represents the undistributed profit of the Company.
- 21.5 Debt Instrument through Other Comprehensive Income:** This reserve is created on account of fair valuation of selected debt instrument and will be transferred to statement of profit and loss on liquidation of respective instruments.
- 21.6 Effective Portion of Cashflow Hedges:** The Company has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective or instruments settled, the amount will be transferred to the Statement of Profit and Loss.
- 21.7 Equity Instrument through Other Comprehensive Income:** This reserve is created on account of fair valuation of equity instruments other than investments in subsidiaries. This will be directly transferred to retained earnings on disposal of respective equity instruments.
- 21.8 Revaluation Surplus:** Revaluation surplus arises on account of fair valuation of freehold land. This will be directly transferred to retained earnings at the time of sale/disposal/transfer (if any) of the respective portion of freehold land.

**22 LONG TERM BORROWINGS**

Particulars	Refer Note No.	Face Value in (₹)		Non-Current Portion		Current Maturities	
		31st March, 2023	31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Non-Convertible Debentures (NCD)</b>	22.1(a)						
2,500 (Previous Year - 2,500) 9.25% NCD 2026		10,00,000	10,00,000	245.49	250.00	-	-
1,500 (Previous Year - 1,500) 7.05% NCD 2024	22.1 (a) (v)	8,00,000	10,00,000	58.19	120.00	60.00	30.00
1,500 (Previous Year - 1,500) 5.75% NCD 2027		10,00,000	10,00,000	150.00	150.00	-	-
				<b>453.68</b>	<b>520.00</b>	<b>60.00</b>	<b>30.00</b>
<b>Term Loans</b>							
<b>From Banks:</b>							
Rupee Loans	22.1(b)			236.68	280.12	43.82	43.00
Foreign Currency Loans	22.1 (c)			103.36	131.05	38.76	15.89
<b>From Other:</b>							
Rupee Loan	22.1(d)			23.70	21.79	-	-
				<b>363.74</b>	<b>432.96</b>	<b>82.58</b>	<b>58.89</b>
<b>Total</b>				<b>817.42</b>	<b>952.96</b>	<b>142.58</b>	<b>88.89</b>
Amount disclosed under the head "Short Term Borrowings"	27			-	-	(142.58)	(88.89)
<b>Total</b>				<b>817.42</b>	<b>952.96</b>	<b>-</b>	<b>-</b>
<b>Break Up of Security Details</b>							
Secured				817.42	952.96	142.58	88.89
Unsecured				-	-	-	-
<b>Total</b>				<b>817.42</b>	<b>952.96</b>	<b>142.58</b>	<b>88.89</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 22.1 Terms and Conditions of Long Term Borrowings :

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>a) Non-Convertible Debentures</b>			
i) 9.25% NCD 2026 (Fixed Coupon Rate)	22.1 (a)(iv) & (e)(i)	250.00	250.00
ii) 7.05% NCD 2024 (Fixed Coupon Rate)	22.1 (a)(iv) & (e)(ii)	120.00	150.00
iii) 5.75% NCD 2027 (Floating Coupon Rate @ 6 Months Treasury Bills notified by RBI)	22.1 (e)(iii)	150.00	150.00
iv) During the year, Company has fair valued the NCDs carrying fixed coupon rate i.e. 9.25% NCD 2026 and 7.05% NCD 2024 in line with Interest Rate Swaps taken against these NCDs.			
v) During the year, Company has repaid ₹ 30.00 Crores to the debenture-holders by way of face value redemption. New face value (after repayment) is ₹ 8.00 Lakhs per NCD from ₹ 10.00 Lakhs.			
<b>b) Rupee Term Loans - From Banks - in Indian Rupees</b>	22.1 (g) and (h)	281.48	324.48
<b>c) Foreign Currency Loans - From Banks - in Foreign Currency</b>	22.1 (f)	142.12	146.94
<b>d) Rupee Term Loan - From Other - in Indian Rupees</b>	22.1 (i)	33.01	33.01
<b>e) Non-Convertible Debentures are redeemable fully at par as under :-</b>			
i) 9.25% NCD 2026 of ₹ 250.00 Crores, includes ₹ 60.00 Crores repayable in August 2024, ₹ 15.00 Crores repayable in September 2024, ₹ 60.00 Crores repayable in August 2025, ₹ 15.00 Crores repayable in September 2025, ₹ 80.00 Crores repayable in August 2026 and ₹ 20.00 Crores repayable in September 2026.			
ii) 7.05% NCD 2024 of ₹ 120.00 Crores, includes ₹ 60.00 Crores repayable in December 2023 and ₹ 60.00 Crores repayable in December 2024.			
iii) 5.75% NCD 2027 of ₹ 150.00 Crores, repayable in February 2027.			
<b>f) Foreign Currency Loan from Bank (SGD: 2.30 Crores) is repayable as under:-</b>			
Term Loan ₹ 142.12 Crores (rate of interest @ 1.58% p.a.)			
i) ₹ 4.31 Crores repayable on June 2023.			
ii) ₹ 137.81 Crores repayable in 12 equal quarterly installments starting from September 2023 to June 2026.			
<b>g) Rupee Loan from Bank is repayable as under:-</b>			
Term Loan ₹ 224 Crores (3 months T-Bill + 140 bps)			
₹ 28.00 Crores repayable in 4 equal quarterly installments from June 2023 to March 2024.			
₹ 70.00 Crores repayable in 8 equal quarterly installments from June 2024 to March 2026.			
₹ 84.00 Crores repayable in 8 equal quarterly installments from June 2026 to March 2028.			
₹ 42.00 Crores repayable in 2 equal quarterly installments from June 2028 to September 2028.			
The above loans (e) (i), (e) (ii), (f) and (g) are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Cement Division, ranking pari-passu with debenture holders and other lender banks. Non-Convertible Debentures referred in (e) (iii) is secured by first charge on freehold land belongs to Company's unit Soorah Jute Mills situated at Narkeldanga, Kolkata.			
<b>h) Rupee Loan from Bank is repayable as under:-</b>			
Term Loan ₹ 57.48 Crores, (3 months T-Bill + 140 bps)			
₹ 7.50 Crores repayable in 2 equal quarterly installments from June 2023 to September 2023.			
₹ 24.96 Crores repayable in 6 equal quarterly installments from December 2023 to March 2025.			
₹ 25.02 Crores repayable in 6 equal quarterly installments from June 2025 to September 2026.			
The loan is secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Jute Division and land situated at Birlapur and Narkeldanga, ranking pari-passu with debenture holders.			
<b>i) Rupee Loans from Other is repayable as under:-</b>			
Interest free Term Loans ₹ 33.01 Crores from Pradeshiya Industrial & Investment Corporation of U.P. Ltd.			
₹ 33.01 Crores includes, ₹ 2.82 Crores repayable in January 2025, ₹ 2.42 Crores repayable in March 2025, ₹ 6.67 Crores repayable in May 2025, ₹ 9.08 Crores repayable in March 2028 and ₹ 12.02 Crores repayable in March 2029.			
The loans are secured by Bank Guarantees.			

**22.2** The borrowings obtained by the Company from banks and proceedings from issue of Non-Convertible Debentures have been applied for the purpose for which such borrowings were taken and Non-Convertible Debentures were issued.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**23 OTHER FINANCIAL LIABILITIES**

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Trade & Security Deposits (Unsecured)		405.79	403.55	–	–
Interest accrued but not due on Borrowings		–	–	17.68	16.81
Interest accrued and due on Borrowings		–	–	–	1.90
Unpaid and Unclaimed Dividends		–	–	1.35	1.41
Employees Related Liabilities		–	–	31.54	29.40
Amount Payable for Capital Goods		–	–	46.92	52.49
Derivative Contracts (Net)	45	6.13	1.77	3.43	0.51
Other Payables (including rebates and discounts)		–	–	180.96	165.82
		<b>411.92</b>	<b>405.32</b>	<b>281.88</b>	<b>268.34</b>
Liabilities Under Litigation		37.48	35.05	–	–
Less : Paid Under Protest		27.85	27.09	–	–
		9.63	7.96	–	–
<b>Total</b>		<b>421.55</b>	<b>413.28</b>	<b>281.88</b>	<b>268.34</b>

**24 PROVISIONS**

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		41.45	40.73	5.21	5.61
Provision for Mines Restoration	24.1	–	–	6.69	6.96
<b>Total</b>		<b>41.45</b>	<b>40.73</b>	<b>11.90</b>	<b>12.57</b>

**24.1 Movement of Provision:-**

Particulars	Provision for Mines Restoration	
	31st March, 2023	31st March, 2022
<b>Balance as at year beginning</b>	6.96	6.91
Provision made during the year	0.20	0.45
Provision utilised/written back during the year	0.47	0.40
<b>Balance as at year end</b>	<b>6.69</b>	<b>6.96</b>

The Company has an obligation to restore the mines after extracting of reserves. Therefore provision has been recognized for the estimated decommissioning and restoration cost in accordance with the mines closure plan.

**25 DEFERRED TAX LIABILITIES (NET)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax Liabilities</b>		
Arising on account of :		
Depreciation & Lease adjustments	303.59	291.52
Revaluation Surplus	257.70	264.12
Mark to Market Gain on Investments	32.80	33.69
Others	1.50	2.33
	<b>595.59</b>	<b>591.66</b>
<b>Less: Deferred Tax Assets</b>		
Arising on account of :		
Mat Credit Entitlement	171.31	162.27
Items u/s 43B of Income Tax Act, 1961	48.50	48.90
Others	9.89	7.31
	<b>229.70</b>	<b>218.48</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>365.89</b>	<b>373.18</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2022 and 31st March, 2023

(₹ in Crores)

Particulars	As at 1st April, 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31st March, 2023
<b>Deferred Tax Liabilities</b>				
Depreciation & Lease adjustments	291.52	12.07	-	303.59
Revaluation Surplus	264.12	-	(6.42)	257.70
Mark to Market Gain on Investments	33.69	(6.43)	5.54	32.80
Remeasurement of the Defined Benefit Plans	-	0.16	(0.16)	-
Others	2.33	(1.61)	0.78	1.50
	<b>591.66</b>	<b>4.19</b>	<b>(0.26)</b>	<b>595.59</b>
<b>Deferred Tax Assets</b>				
Mat Credit Entitlement	162.27	9.04	-	171.31
Items u/s 43B of Income Tax Act, 1961	48.90	(0.40)	-	48.50
Others	7.31	2.58	-	9.89
	<b>218.48</b>	<b>11.22</b>	-	<b>229.70</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>373.18</b>	<b>(7.03)</b>	<b>(0.26)</b>	<b>365.89</b>

Particulars	As at 1st April, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31st March, 2022
<b>Deferred Tax Liabilities</b>				
Depreciation & Lease adjustments	285.18	6.34	-	291.52
Revaluation Surplus	230.96	-	33.16	264.12
Mark to Market Gain on Investments	26.19	1.89	5.61	33.69
Remeasurement of the Defined Benefit Plans	-	(3.04)	3.04	-
Others	3.35	(2.03)	1.01	2.33
	<b>545.68</b>	<b>3.16</b>	<b>42.82</b>	<b>591.66</b>
<b>Deferred Tax Assets</b>				
Mat Credit Entitlement	181.28	(19.01)	-	162.27
Items u/s 43B of Income Tax Act, 1961	47.97	0.93	-	48.90
Others	6.42	0.89	-	7.31
	<b>235.67</b>	<b>(17.19)</b>	-	<b>218.48</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>310.01</b>	<b>20.35</b>	<b>42.82</b>	<b>373.18</b>

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**26 OTHER LIABILITIES**

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Liabilities Under Litigation		264.58	303.36	–	–
Less : Paid Under Protest		134.67	175.10	–	–
		129.91	128.26	–	–
Advances Received from Customers		–	–	76.00	81.25
Statutory Dues		–	–	93.78	109.31
Bonus Liability		–	–	8.97	11.66
Deferred Revenue	26.1	6.72	8.67	2.14	2.32
Others		4.89	4.89	0.00	0.00
<b>Total</b>		<b>141.52</b>	<b>141.82</b>	<b>180.89</b>	<b>204.54</b>

**26.1 Movement of Deferred Revenue**

Particulars	2022-23	2021-22
Opening Balance	10.99	8.07
Grants Received during the year	–	4.61
Less: Released to Statement of Profit & Loss	2.13	1.69
<b>Closing Balance</b>	<b>8.86</b>	<b>10.99</b>
Current portion	2.14	2.32
Non Current portion	6.72	8.67

**27 SHORT TERM BORROWINGS**

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Current Maturities of Long Term Debt	22	142.58	88.89
<b>Loans Repayable on Demand</b>			
From Banks			
Rupee Loans	27.1	2.54	127.46
<b>Other Loans</b>			
From Banks			
Packing Credit in Indian Currency	27.1	18.00	10.00
<b>Total</b>		<b>163.12</b>	<b>226.35</b>
<b>The above amount includes</b>			
Secured Borrowings		145.12	108.35
Unsecured Borrowings		18.00	118.00
<b>Total</b>		<b>163.12</b>	<b>226.35</b>

**27.1** The Company has been sanctioned working capital facilities (fund and non-fund based) from various Banks, secured by way of first charge on hypothecation of Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on movable and immovable Property, Plant and Equipment and Intangible Assets of the Company's Cement Division. In addition to this, the Company has also availed unsecured working capital facilities from various banks.

**27.2** The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account.

**27.3** There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**27.4** The Company has not been declared as a Wilful Defaulter by any bank or financial institution or other lender.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 28 TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Trade Payables for goods and services			
- Total outstanding dues of micro enterprises and small enterprises	45	15.03	7.31
- Total outstanding dues of creditors other than micro enterprises and small enterprises		556.12	470.29
<b>Total</b>		<b>571.15</b>	<b>477.60</b>

#### 28.1 Trade Payables ageing schedule

##### As at 31st March, 2023

Particulars	Unbilled	No Dues	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	0.08	11.71	1.98	0.34	0.44	0.48	<b>15.03</b>
ii) Others	131.23	44.97	296.96	33.52	13.40	32.76	<b>552.84</b>
iii) Disputed dues – MSME	–	–	–	–	–	–	–
iv) Disputed dues – Others	–	–	0.10	0.01	0.00	3.17	<b>3.28</b>
<b>Total</b>	<b>131.31</b>	<b>56.68</b>	<b>299.04</b>	<b>33.87</b>	<b>13.84</b>	<b>36.41</b>	<b>571.15</b>

##### As at 31st March, 2022

Particulars	Unbilled	No Dues	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	0.28	2.57	4.25	0.14	0.05	0.02	<b>7.31</b>
ii) Others	118.35	37.28	270.88	10.03	11.17	19.45	<b>467.16</b>
iii) Disputed dues – MSME	–	–	–	–	–	–	–
iv) Disputed dues – Others	–	–	0.02	–	–	3.11	<b>3.13</b>
<b>Total</b>	<b>118.63</b>	<b>39.85</b>	<b>275.15</b>	<b>10.17</b>	<b>11.22</b>	<b>22.58</b>	<b>477.60</b>

### 29 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Products	29.1 to 29.4	5,368.79	4,736.60
		<b>5,368.79</b>	<b>4,736.60</b>
Other Operating Revenues			
Incentives & Subsidies	57.1 to 57.4	6.53	2.11
Export Benefits	57.5	2.65	2.61
Income from Royalty		43.62	35.15
Insurance and Other Claims (Net)		4.74	2.62
Miscellaneous Sale		14.86	11.84
		<b>72.40</b>	<b>54.33</b>
<b>Total</b>		<b>5,441.19</b>	<b>4,790.93</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**29.1 Disaggregated Revenue Information**

(₹ in Crores)

a) Disaggregation of the Company's Revenue from Contracts with Customers:

Particulars	For the year ended 31st March, 2023				For the year ended 31st March, 2022			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
<b>Sale of Products</b>								
Manufactured Goods	4,892.90	432.37	2.16	5,327.43	4,300.23	398.49	0.56	4,699.28
Traded Goods	41.31	0.05	–	41.36	32.95	4.37	–	37.32
<b>Total Revenue from Contracts with Customers</b>	<b>4,934.21</b>	<b>432.42</b>	<b>2.16</b>	<b>5,368.79</b>	<b>4,333.18</b>	<b>402.86</b>	<b>0.56</b>	<b>4,736.60</b>
<b>Other Operating Revenues</b>								
Incentives & Subsidies	6.35	0.18	–	6.53	1.75	0.36	–	2.11
Export Benefits	–	2.65	–	2.65	–	2.61	–	2.61
Income from Royalty	43.62	–	–	43.62	35.15	–	–	35.15
Insurance and Other Claims (Net)	4.74	–	–	4.74	2.49	0.13	–	2.62
Miscellaneous Sale	13.45	1.35	0.06	14.86	10.14	1.64	0.06	11.84
	<b>68.16</b>	<b>4.18</b>	<b>0.06</b>	<b>72.40</b>	<b>49.53</b>	<b>4.74</b>	<b>0.06</b>	<b>54.33</b>
<b>Total Revenue from Operations</b>	<b>5,002.37</b>	<b>436.60</b>	<b>2.22</b>	<b>5,441.19</b>	<b>4,382.71</b>	<b>407.60</b>	<b>0.62</b>	<b>4,790.93</b>
Within India	5,002.33	356.06	2.22	5,360.61	4,382.63	333.24	0.62	4,716.49
Outside India	0.04	80.54	–	80.58	0.08	74.36	–	74.44
<b>Total Revenue from Operations</b>	<b>5,002.37</b>	<b>436.60</b>	<b>2.22</b>	<b>5,441.19</b>	<b>4,382.71</b>	<b>407.60</b>	<b>0.62</b>	<b>4,790.93</b>
<b>Timing of Revenue Recognition</b>								
Goods or Services transferred at a point in time	5,002.37	436.60	2.22	5,441.19	4,382.71	407.60	0.62	4,790.93
<b>Total Revenue from Operations</b>	<b>5,002.37</b>	<b>436.60</b>	<b>2.22</b>	<b>5,441.19</b>	<b>4,382.71</b>	<b>407.60</b>	<b>0.62</b>	<b>4,790.93</b>

b) Reconciliation of the Revenue from Contracts with Customers with the amounts disclosed in the segment information:

Particulars	For the year ended 31st March, 2023				For the year ended 31st March, 2022			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
<b>Revenue</b>								
External Sales	5,002.37	436.60	2.22	5,441.19	4,382.71	407.60	0.62	4,790.93
Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	–	7.23	8.29
<b>Total</b>	<b>5,003.81</b>	<b>436.61</b>	<b>7.86</b>	<b>5,448.28</b>	<b>4,383.77</b>	<b>407.60</b>	<b>7.85</b>	<b>4,799.22</b>
Less : Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	–	7.23	8.29
<b>Revenue from Operations</b>	<b>5,002.37</b>	<b>436.60</b>	<b>2.22</b>	<b>5,441.19</b>	<b>4,382.71</b>	<b>407.60</b>	<b>0.62</b>	<b>4,790.93</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 29.2 Information about Receivables, Contract Assets and Contract Liabilities from Contracts with Customers:

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Trade Receivables	16	227.19	221.77
<u>Contract Liabilities</u>			
Advances from Customers	26	76.00	81.25

### 29.3 Reconciling the amount of Revenue recognized in the Statement of Profit and Loss with the Contracted Price:

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Revenue as per contracted price</b>		5,798.39	5,097.32
Less: Sales Claims		0.63	0.59
Less: Rebate & Discounts		428.97	360.13
<b>Total Revenue from Contracts with Customers</b>		<b>5,368.79</b>	<b>4,736.60</b>
Other Operating Revenues		72.40	54.33
<b>Revenue from Operations</b>		<b>5,441.19</b>	<b>4,790.93</b>

### 29.4 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at Balance Sheet date are, as follows:

Advances from Customers	26	76.00	81.25
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Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognized as revenue during the next financial year.

## 30 OTHER INCOME

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Interest Income</b>			
On Investments		2.56	0.86
On Deposits with Banks and Other Financial Institutions		3.40	7.18
On Income Tax Refund		–	3.06
On Other Deposits, etc.		2.40	2.16
Dividend Income		12.53	51.65
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss		5.41	3.95
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss		0.60	(31.55)
Net Gain/ (Loss) on sale/ maturity of Bonds/ NCDs/ G-Sec measured at fair value through OCI		0.06	–
Gain on Foreign currency transaction and translation (Net)	30.1	7.21	3.68
<b>Other Non Operating Income</b>			
Profit on sale/discard of Property, Plant and Equipment (Net)		–	2.76
Profit on sale of Capital Work In Progress		0.00	–
Profit on revaluation of Live Stock	8	–	0.01
Profit on sale of Non Current Assets classified as Held for Sale		–	0.03
Excess Liabilities and Unclaimed Balances written back (Net)		52.02	40.33
Excess Provisions written back (Net)		–	0.34
Insurance and Other Claims (Net)		2.63	2.96
Miscellaneous Income		13.60	6.97
<b>Total</b>		<b>102.42</b>	<b>94.39</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**30.1 Gain on Foreign currency transaction and translation (Net)**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Gain on Foreign currency transaction and translation (Net)		9.45	6.59
Less: Transfer to Other Comprehensive Income	40.2.2	2.24	2.91
<b>Total</b>		<b>7.21</b>	<b>3.68</b>

**31 COST OF MATERIALS CONSUMED**

Raw Materials Consumed		1,090.48	993.49
<b>Total</b>		<b>1,090.48</b>	<b>993.49</b>

**32 PURCHASES OF STOCK IN TRADE**

Traded Goods		32.14	26.54
<b>Total</b>		<b>32.14</b>	<b>26.54</b>

**33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Inventories at the beginning of the year</b>			
Finished Goods		85.73	82.53
Stock-In-Trade		1.04	0.92
Work-In-Progress		98.10	87.44
		184.87	170.89
<b>Inventories at the end of the year</b>			
Finished Goods		133.14	85.73
Stock-In-Trade		0.75	1.04
Work-In-Progress		93.35	98.10
		227.24	184.87
<b>Changes in Inventories</b>		<b>(42.37)</b>	<b>(13.98)</b>

**34 EMPLOYEE BENEFITS EXPENSE**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries & Wages		322.18	293.99
Contribution to Provident and Other Funds		30.79	28.77
Staff Welfare Expenses		11.11	11.43
		364.08	334.19
Less: Amount Capitalized		3.07	1.67
<b>Total</b>		<b>361.01</b>	<b>332.52</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 35 FINANCE COST

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Interest Expenses</b>			
To Debenture Holders		45.53	38.77
To Banks on Term Loans, etc.		33.44	34.44
To Banks On Working Capital Loans		5.48	3.54
On Deposits and Others		21.67	22.75
<b>Other Borrowing Costs</b>			
Other Financial Charges		0.88	1.03
		107.00	100.53
Less: Amount Capitalized		-	-
<b>Total</b>		<b>107.00</b>	<b>100.53</b>

### 36 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
On Tangible Assets	5	170.47	161.36
On Intangible Assets	7	12.27	11.34
On Investment Property	6	0.00	0.00
On Right of Use Assets	5	4.57	4.16
<b>Total</b>		<b>187.31</b>	<b>176.86</b>

### 37 OTHER EXPENSES

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Manufacturing Expenses</b>			
Stores & Spare Parts Consumed		275.42	226.25
Packing Materials Consumed		187.16	181.73
Power & Fuel		1,607.09	1,099.43
Royalty & Cess		74.73	67.57
Repairs to Buildings		19.56	18.71
Repairs to Machinery		97.45	87.79
Freight & Material Handling on Inter Unit Transfer		68.06	54.46
Other Manufacturing Expenses		100.48	84.91
		2,429.95	1,820.85

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Selling and Administration Expenses</b>			
Brokerage & Commission on Sales		48.40	42.16
Transport & Forwarding Expenses		1,046.67	914.09
Insurance		11.36	11.25
Rent		18.16	17.39
Repairs to Other Assets		6.58	5.47
Rates & Taxes		12.69	11.67
Advertisement		32.44	33.29
Charity & Donation	37.2	0.88	1.25
Corporate Social Responsibility Expenses	49	7.64	6.64
Auditors' Remuneration	37.1	0.81	0.76
Loss on sale/discard of Property, Plant and Equipment (Net)		0.29	–
Loss on Revaluation of Live Stock (Net)	8	0.22	–
Transfer of loss from Other Comprehensive Income related to Bonds/ NCDs/ G-Sec sold/matured during the year	40.2.1	0.01	0.00
Loss on Sale of Non-Current Investments		–	0.04
Net (Gain)/ Loss on Mark to Market of Derivative Contracts related to NCDs		0.15	0.68
Net Provision for doubtful debts/ advances		2.92	–
Bad Debts		–	0.03
Directors' Sitting Fees		0.78	0.70
Directors' Commission		0.60	0.70
Other Expenses		113.68	98.51
		<b>1,304.28</b>	<b>1,144.63</b>
<b>Total</b>		<b>3,734.23</b>	<b>2,965.48</b>

**37.1 Auditors' Remuneration**

a) Statutory Auditors			
Audit Fees		0.31	0.31
Tax Audit Fees		0.07	0.07
Limited Review		0.19	0.19
Travelling Expenses		0.03	0.01
Issue of Certificates		0.16	0.14
		<b>0.76</b>	<b>0.72</b>
b) Cost Auditors			
Audit Fees		0.04	0.04
Travelling Expenses		0.01	0.00
		<b>0.05</b>	<b>0.04</b>
<b>Total</b>		<b>0.81</b>	<b>0.76</b>

**37.2** Charity & Donation includes ₹ 0.38 Crore (Previous Year ₹ Nil) contribution made to an Electoral Trust Company.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 38 EXCEPTIONAL ITEM

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
On account of Electricity Charges	38.1	25.46	–
On account of Insurance and other claims	38.2	–	(7.00)
On account of Interest on Entry tax	38.3	–	38.44
<b>Total</b>		<b>25.46</b>	<b>31.44</b>

**38.1** Representing electricity charges pertaining to earlier years on account of increase in power tariff notified by the authorities in the current year.

**38.2** Representing compensation claim received from a party on account of damages caused to the asset of the Company.

**38.3** On account of provision made towards interest on payment of U.P. Entry Tax. While the matter is sub judice, as a matter of abundant caution, such provision has been made.

### 39 TAX EXPENSE

Current Tax	39.1	9.98	50.08
Deferred Tax			
On Other Items		2.01	1.34
Less : MAT Credit Recognised		9.04	–
Add : MAT Credit Utilised		–	19.01
		<b>(7.03)</b>	<b>20.35</b>
Income Tax for earlier years		–	(0.91)
<b>Total</b>		<b>2.95</b>	<b>69.52</b>

### 39.1 Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Profit and Loss:

Income before Income Taxes		48.35	272.44
Indian Statutory Income Tax Rate	39.2	34.944%	34.944%
Estimated Income Tax Expenses		<b>16.90</b>	<b>95.20</b>
<b>Tax Effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:</b>			
Deduction under Chapter VIA		(25.60)	(34.41)
Tax payable at different rate / Capital Gain		(5.79)	1.63
Deferred Tax Adjustment		0.85	(0.09)
Permanent Difference		10.36	12.09
Others		0.53	0.38
Income Tax for earlier years		–	(0.91)
Effect of Reversal of Deferred Tax Liability for change in income tax rates	39.2	5.70	(4.37)
		<b>(13.95)</b>	<b>(25.68)</b>
<b>Income Tax Expense in the Statement of Profit and Loss</b>		<b>2.95</b>	<b>69.52</b>

**39.2** "The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to a corporate for paying Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company would be subjected to lower tax rate and accordingly as on 31st March, 2023 and 31st March, 2022 the Company has created / (reversed) deferred tax liability of ₹ 5.70 Crores and (-) ₹ 4.37 Crores respectively. Applicable Indian Statutory Income Tax Rate for both the Fiscal Years 2023 and 2022 is 34.944%.

**39.3** There is no income or transaction which has not been disclosed or recorded in the books of accounts which has been surrendered or disclosed as income in the tax assessment during the year 31st March, 2023 and 31st March, 2022.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**40 OTHER COMPREHENSIVE INCOME**

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>40.1 Items that will not be reclassified to profit or loss</b>			
40.1.1 Remeasurement of the Defined Benefit Plans		(0.45)	8.70
Less: Tax expense on the above		(0.16)	3.04
		<b>(0.29)</b>	<b>5.66</b>
40.1.2 Revaluation Surplus	5.2	–	153.96
Less: Reversal of revaluation gain on reclassification	5.2	30.50	–
		(30.50)	153.96
Less: Tax expense on the above		(6.42)	33.16
		<b>(24.08)</b>	<b>120.80</b>
40.1.3 Equity Instruments through Other Comprehensive Income		3.28	119.45
Less: Tax expense on the above		4.73	5.69
		<b>(1.45)</b>	<b>113.76</b>
<b>40.2 Items that will be reclassified to profit or loss</b>			
40.2.1 Debt Instruments through Other Comprehensive Income		(0.13)	(0.25)
Less: Amount reclassified to Statement of Profit and Loss	37	0.01	0.00
		<b>(0.12)</b>	<b>(0.25)</b>
Less: Tax expense on the above		0.81	(0.08)
		<b>(0.93)</b>	<b>(0.17)</b>
40.2.2 Effective Portion of Cash Flow Hedges	55.4.2	2.24	2.91
Less: Amount reclassified to Statement of Profit and Loss		–	–
		<b>2.24</b>	<b>2.91</b>
Less: Tax expense on the above		0.78	1.01
		<b>1.46</b>	<b>1.90</b>
<b>Total Other Comprehensive Income for the year (Net of tax)</b>		<b>(25.29)</b>	<b>241.95</b>

**41 CONTINGENT LIABILITIES :**
**41.1 Claims/Disputes/Demands against the Company not acknowledged as debt :**

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
41.1.1	Sales Tax, VAT, CST and Entry Tax matters	111.17	111.17
41.1.2	Excise Duty, Service Tax, Goods & Service Tax and Custom Duty matters	135.87	135.71
41.1.3	Income Tax matters	27.99	28.45
41.1.4	Electricity Duty and Renewable Energy Surcharge matters	21.52	21.52
41.1.5	Royalty on Limestone	–	67.91
41.1.6	Others (Primarily related to demand for Alleged Impermissible Mining, Water Supply Charges, Stamp Duty, House Tax, Education Cess, etc.)	46.40	37.55

**41.2** The Company is subject to electricity tariff notified by the relevant authorities. As there is substantial time lag in notifying such changes, the difference, if any, is accounted for at the time of notification of changes in tariff.

**41.3** In respect of the matters in Note No. 41.1 to 41.2, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibility of any reimbursements to be made to the Company from any third party.

**41.4** The Company has provided corporate guarantee in the nature of financial guarantee to the lenders of one of its wholly owned subsidiary amounting to ₹ 24.53 Crores (Previous Year ₹ 295.34 Crores) against the long term loans availed by the Subsidiary. As on the Balance Sheet date, the balance of such loans outstanding of ₹ 24.53 Crores (Previous Year ₹ 295.34 Crores).

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 41.5 Other Contingent Liabilities

(₹ in Crores)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
41.5.1	Bills discounted with Banks remaining outstanding	3.26	2.37
41.5.2	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance License Scheme	0.25	–

### 42 DIVIDEND

The Board of Directors at its meeting held on 9th May, 2023 have recommended a payment of final dividend of ₹ 2.50 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2023. The same amounts to ₹ 19.25 Crores.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

### 43 COMMITMENTS

#### Capital Commitments

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	125.02	54.63

### 44 Assets Pledged as Security

The carrying amounts of Assets Pledged as Security for Current and Non-Current Borrowings are:

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>			
<b>Financial Assets</b>			
Trade Receivables	16	227.19	221.77
		<b>227.19</b>	<b>221.77</b>
<b>Non-Financial Assets</b>			
Inventories	14	754.74	602.71
Others	13	0.03	0.03
		<b>754.77</b>	<b>602.74</b>
<b>Total Current Assets Pledged as Security</b>		<b>981.96</b>	<b>824.51</b>
<b>Non-Current</b>			
Land	5	1,242.99	1,225.37
Buildings	5	195.58	180.91
Plant & Machinery	5	1,793.21	1,671.44
Others Tangible Assets	5	44.26	37.60
Capital work-in progress	5	113.64	198.16
Other Non Current Assets (including Intangible Assets)	7 & 13	48.07	58.28
<b>Total Non-Current Assets Pledged as Security</b>		<b>3,437.75</b>	<b>3,371.76</b>
<b>Total Assets Pledged as Security</b>		<b>4,419.71</b>	<b>4,196.27</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**45 Disclosure as required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :**

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year:		
	<u>Trade Payable</u>		
	Principal	15.03	7.31
	Interest	-	-
	<u>Other Financial Liability</u>		
	Principal	7.87	1.48
	Interest	-	-
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.		
	Principal	-	-
	Interest	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditor.

**46 LEASES**
**46.1 As Lessee**

**46.1.1** The Company's significant leasing arrangements are in respect of leases for premises (residential, manufacturing facilities, office, stores, godown, etc.) These leasing arrangements which are cancellable ranging between 11 months and 99 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms.

**46.1.2 The following is the summary of practical expedients used for lease accounting:**

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right of use assets and liabilities for leases with less than 12 months of lease term and low value of assets.
- Used hindsight in determining the lease term whether the contract contained options to extend or terminate the lease.

**46.1.3 Following is carrying value of right of use assets recognized and movements thereof during the year ended 31st March, 2022 and 31st March, 2023:**

Particulars	Right of Use Assets		
	Leasehold Land	Plant and Machinery	Total
<b>Balance as at 1st April, 2021</b>	8.71	27.81	36.52
Additions during the year	-	24.06	24.06
Deletion during the year	-	-	-
Depreciation of Right of Use Assets (Refer Note No. 36)	(0.31)	(3.85)	(4.16)
<b>Balance as at 31st March, 2022</b>	<b>8.40</b>	<b>48.02</b>	<b>56.42</b>
Additions during the year	-	-	-
Deletion during the year	-	-	-
Depreciation of Right of Use Assets (Refer Note No. 36)	(0.31)	(4.26)	(4.57)
<b>Balance as at 31st March, 2023</b>	<b>8.09</b>	<b>43.76</b>	<b>51.85</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 46.1.4 The following is the carrying value of lease liability recognized and movements thereof during the year ended 31st March, 2022 and 31st March, 2023:

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Balance as at year beginning</b>	<b>55.12</b>	<b>31.70</b>
Additions during the year	–	23.84
Finance cost accrued during the year	5.12	4.94
Deletions	–	–
Payment of Lease Liabilities	(7.69)	(5.36)
<b>Balance as at year end</b>	<b>52.55</b>	<b>55.12</b>
Current maturities of Lease Liability	3.00	2.71
Non-Current Lease Liability	49.55	52.41

### 46.1.5 Amounts recognized in the statement of profit and loss during the year:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Depreciation charge of right-of-use assets - Leasehold Land (Refer Note No. 5)	0.31	0.31
Depreciation charge of right-of-use assets - Plant and Machinery (Refer Note No. 5)	4.26	3.85
Finance cost accrued during the year (included in finance cost) (Refer Note No. 35)	5.12	4.94
Expense related to short term leases (included in other expense) (Refer Note No. 37)	18.16	17.39

### 46.1.6 The maturity analysis of lease liabilities:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Lease Payments	Present value of Lease Payments	Lease Payments	Present value of Lease Payments
Within one year	7.90	3.00	7.83	2.71
After one year but not more than five years	30.91	14.19	30.58	12.63
More than five years	52.39	35.36	60.50	39.78
<b>Total lease liabilities payments</b>	<b>91.20</b>	<b>52.55</b>	<b>98.91</b>	<b>55.12</b>
Less: Amounts representing Finance Charges	38.65	–	43.79	–
<b>Present value of lease liabilities payments</b>	<b>52.55</b>	<b>52.55</b>	<b>55.12</b>	<b>55.12</b>

### 46.1.7 Non-cash investing activities during the year:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Acquisition of right of use assets	–	24.06
Disposals of right of use assets	–	–

46.1.8 The weighted average incremental borrowing rate applied to lease liabilities for leasehold land is 8.00% and for plant and machinery is 7.78% and 11.77%.

46.1.9 The Company does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when the fall due.

### 46.2 As Lessor

46.2.1 The Company leased out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in Note No 6.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**47 EARNINGS PER SHARE**

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit for the year attributable to the owner of the Company	45.40	202.92
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic and diluted (₹) (Face value of ₹ 10/- per share)	5.90	26.35

**48. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013:**

**48.1 Defined Contribution Plan:**

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
48.1.1	Provident Fund	1.66	1.35
48.1.2	Superannuation Fund	2.46	2.55
48.1.3	Pension Fund	6.83	6.82

**48.2 Defined Benefit Plan:**

The following are the types of defined benefit plans:

**48.2.1 Gratuity Plan**

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

**48.2.2 Pension Plan**

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

**48.2.3 Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

**48.2.4 Risk Exposure**

**Defined Benefit Plans**

Defined benefit plans expose the Company to actuarial risks such as Interest Rate Risk, Salary Risk and Demographic Risk.

- Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 48.2.5 Reconciliation of the Net Defined Benefit Obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net Defined Benefit Obligation and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Balance at the beginning of the year	136.26	137.79	0.52	0.60
Current Service Cost	8.74	8.62	–	–
Interest Cost on Defined Benefit Obligation	8.68	8.61	0.03	0.04
Actuarial Gain and Losses arising from				
Changes in Demographic Assumptions	–	–	–	0.03
Changes in Financial Assumptions	(3.82)	(2.89)	–	(0.01)
Experience Adjustment	5.02	(5.44)	(0.02)	(0.03)
Benefits paid directly by the Company	(3.66)	–	–	–
Benefits Paid	(13.49)	(10.43)	(0.09)	(0.11)
<b>Balance at the end of the year</b>	<b>137.73</b>	<b>136.26</b>	<b>0.44</b>	<b>0.52</b>

### 48.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its Components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Balance at the beginning of the year	142.20	137.48	–	–
Interest Income on Plan Assets	9.26	8.79	–	–
Remeasurement of Defined Benefit Obligation:				
Return on Plan Assets greater/ (lesser) than discount rate	0.73	0.36	–	–
Employer Contributions to the Plan	1.50	6.00	–	–
Benefits Paid	(13.49)	(10.43)	–	–
<b>Balance at the end of the year</b>	<b>140.20</b>	<b>142.20</b>	<b>–</b>	<b>–</b>

### 48.2.7 The amount recognised in the Balance Sheet

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Present value of Defined Benefit Obligation	137.73	136.26	0.44	0.52
Fair Value of Plan Assets	140.20	142.20	–	–
<b>Net Asset/ (Liability) recognised in the Balance Sheet</b>	<b>2.47</b>	<b>5.94</b>	<b>(0.44)</b>	<b>(0.52)</b>

### 48.2.8 Expenses recognised in Profit and Loss

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Current Service Cost	8.74	8.62	–	–
Interest Cost	8.68	8.61	0.03	0.04
Interest Income on Plan Assets	(9.26)	(8.79)	–	–
<b>Total Expenses recognised in Profit and Loss</b>	<b>8.16</b>	<b>8.44</b>	<b>0.03</b>	<b>0.04</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**48.2.9 Remeasurements (gain)/ loss recognised in Other Comprehensive Income**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Actuarial (gain)/ loss on Defined Benefit Obligation	1.20	(8.33)	(0.02)	(0.01)
Return on Plan Assets (greater)/ lesser than discount rate	(0.73)	(0.36)	–	–
<b>Total remeasurements (gain)/ loss recognized in Other Comprehensive Income</b>	<b>0.47</b>	<b>(8.69)</b>	<b>(0.02)</b>	<b>(0.01)</b>

**48.2.10 Major Categories of Plan Assets**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Qualified Insurance Policy	100%	100%	–	–

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited, Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Limited, ICICI Pru Group Unit Linked Employee Benefit Plan offered by ICICI Prudential Life Insurance Company Limited and Kotak Secure Return Employee Benefit Plan offered by Kotak Mahindra Life Insurance Limited. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

**48.2.11 Asset-Liability Matching Strategy**

The Company's investment is in Cash Accumulation Plan/Traditional Plan/ULIP of various Insurance Companies, the investments are being managed by these Insurance Companies and at the year end interest is being credited to the fund value. The Company has not changed the process used to manage its risk from previous periods. The Company's investments are fully secured and would be sufficient to cover its obligations.

**48.2.12 Actuarials Assumptions**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
<b>Financial Assumptions</b>				
Discount Rate	7.20%	6.80%	7.20%	6.80%
Salary Escalation Rate	5% to 8%	7% to 8%	–	–
<b>Demographic Assumptions</b>				
Mortality Rate	IAL (2006-08) Mortality Ultimate	IAL (2006-08) Mortality Ultimate	Indian Individual Annuitant's Mortality (2012-2015)	Indian Individual Annuitant's Mortality (2012-2015)
Withdrawal Rate	2.00%	2.00%	–	–

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

**48.2.14** As on 31st March 2023, the weighted average duration of the Defined Benefit Obligation is 4 to 8 years (previous year 4 to 11 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Within 1 Year	18.66	16.66	0.08	0.09
1 to 2 Year	15.61	14.64	0.07	0.08
2 to 3 Year	16.30	15.25	0.07	0.08
3 to 4 Year	18.24	16.17	0.06	0.07
4 to 5 Year	14.83	17.95	0.06	0.06
More than 5 Years	68.94	69.77	0.19	0.22

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

48.2.15 The Company expects to contribute ₹ 3.00 Crores (previous year ₹ 5.00 Crores) to its gratuity fund in 2023-24.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Within next 12 months (next annual reporting period)	3.00	5.00	–	–
Between 2 and 5 years	5.00	5.00	–	–
Between 5 and 10 years	7.00	7.00	–	–
Beyond 10 years	10.00	10.00	–	–

48.2.17 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Effect on DBO due to 1% increase in Discount Rate	(8.69)	(8.80)	(0.02)	(0.02)
Effect on DBO due to 1% decrease in Discount Rate	10.01	10.15	0.02	0.02
Effect on DBO due to 1% increase in Salary Escalation Rate	9.87	9.97	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(8.73)	(8.81)	–	–

Sensitivity due to mortality and withdrawal rate being insignificant, ignored.

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.

48.2.18 Provident Fund

Provident fund for certain eligible employees is managed by the Company through the various Provident Fund Trusts, namely "M P Birla Group Provident Fund Institution", "Satna Cement Works Employees' Provident Fund Trust", "Birla Cement Works Staff Provident Fund Trust", "Birla Jute Mills Workers' Provident Fund Trust", "Soorah Jute Mills Employees' Provident Fund Trust", "Durgapur Cement Works Employees' Provident Fund Trust" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Trust has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall in current year and previous year.

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March, 2023	390.40	400.72	10.32
As at 31 March, 2022	367.37	380.43	13.06

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31st March, 2023	31st March, 2022
Discount Rate (per annum)	7.20%	6.80%
Expected Rate of Return on Plan Assets (per annum)	7.75% to 8.15%	7.75% to 8.10%

The Company contributed ₹ 8.90 Crores and ₹ 7.84 Crores during the year ended 31st March, 2023 and 31st March, 2022 respectively.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**49. Disclosure for Expenditure on Corporate Social Responsibility Activities**

(₹ in Crores)

Particulars	For the year ended on	
	31st March, 2023	31st March, 2022
Gross Amount required to be spent by the Company	7.67	6.70
Less: Excess spent in previous year utilized during the year	0.19	0.25
<b>Net Amount required to be spent by the Company (A)</b>	<b>7.48</b>	<b>6.45</b>
<b>Amount spent by the Company during the year for</b>		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above:	7.64	6.64
<b>Total Amount spent (B)</b>	<b>7.64</b>	<b>6.64</b>
<b>Shortfall / (Excess) ^ (A) - (B)</b>	<b>(0.16)</b>	<b>(0.19)</b>
<b>Total of previous year Shortfall</b>	-	-
Reason for Shortfall	NA	NA
Nature of CSR activities	Rural Infrastructure & Community Development, Education, Health Care, Livelihood & Women Empowerment, Environment, Vocational Training and others	Rural Infrastructure & Community Development, Education, Health Care, Environment and others
Related Party Transactions as per Ind AS 24 in relation to CSR Expenditure	Nil	Nil
Provision made in relation to CSR Expenditure and movement thereof	Nil	Nil

^ Excess amount spent by the Company not showing as prepaid expenses in the accounts.

- 50.** The Board of Directors of the Company at its meeting held on 25th July, 2013 had approved the Scheme of Amalgamation to amalgamate Talavadi Cements Limited, a 98.01% subsidiary company, with the Company with an appointed date of 1st April, 2013. The Scheme is pending for approval of the National Company Law Tribunal, Kolkata.
- 51.** The Ministry of Coal had allocated Bikram and Brahmampuri Coal Blocks in the state of Madhya Pradesh through E-Auction process vide CMDPA (Coal Mine Development and Production Agreement) dated 18th December, 2019 and Vesting Order dated 10th February, 2020. Further, Ministry of Coal also allocated Markibaraka Coal Blocks in the state of Madhya Pradesh vide CMDPA (Coal Mine Development and Production Agreement) dated 17th October 2022 and Vesting Order dated 17th January, 2023. The Company is in process to develop these blocks for extraction of Coal. Till 31st March 2023 and 31st March 2022, Company has spent ₹ 40.02 Crores and ₹ 18.20 Crores respectively and shown under Capital Work-In-Progress.
- 52.1** As a policy, the Company annually assesses the impairment of property plant and equipment (PPE) and other non-current assets by comparing the carrying value of PPE and other non-current assets with its fair value. In case the fair value is less than the carrying value an impairment charge is created. Management has concluded that there is no impairment of PPE and other assets during the current year and in previous year.
- 52.2** Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- 53.1** The Company's Unit Soorah Jute Mills is under Suspension of Operations since 29th March, 2004.
- 53.2** The Company's Unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014. Further, the Board has also passed resolutions and declared "Closure of Manufacturing Establishments" for Birlapur Unit and Gurgaon Unit of Auto Trim Division from 30th July, 2021 and 1st September, 2022 respectively.
- 53.3** In respect of mining matter of Company's unit Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 54. FAIR VALUE MEASUREMENT:

The fair value of the financial assets and liabilities are included at the amount 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.

#### 54.1 The following methods and assumptions were used to estimate the fair values:

**54.1.1** The equity shares, bonds, non-convertible debentures and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy. Fair value of mutual funds are based on net assets value as on the reporting dates and classified as Level 1 fair values in fair value hierarchy. Fair value of investments in unquoted equity instruments are based on the Net Assets Book Value of the investee companies and same is classified as Level 3 fair values in fair value hierarchy.

**54.1.2** The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

**54.1.3** The management has assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets (except derivative financial instruments), trade payables, short term borrowings and other current financial liabilities (except derivative financial instruments) approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

#### 54.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the Standalone Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

### 54.3 The following table provides classification of financial instruments and the fair value hierarchy of the Company's assets and liabilities:

#### 54.3.1 Disclosure for the year ended 31st March, 2023

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(1) Financial Assets</b>					
<b>Financial Assets at amortised cost</b>					
Trade Receivables	227.19	227.19	-	-	-
Loan Receivables	1.46	1.46	-	-	-
Cash and Cash Equivalents	71.05	71.05	-	-	-
Other Bank Balances	10.38	10.38	-	-	-
Security Deposits	39.86	39.86	-	-	-
Other Deposits, Advances and Claims Recoverable	13.51	13.51	-	-	-
Fixed Deposit with Others	16.00	16.00	-	-	-
Interest Accrued on Deposits	1.19	1.19	-	-	-
Fixed Deposits maturing after 12 months from Balance Sheet date	0.72	0.72	-	-	-
Other Financial Assets	2.41	2.41	-	-	-
Incentive and Subsidy Receivable	139.97	139.97	-	-	-
<b>Sub Total</b>	<b>523.74</b>	<b>523.74</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Assets at fair value through Profit &amp; Loss</b>					
Investments					
- Unlisted Preference Shares	0.00	0.00	-	-	0.00
- Mutual Funds	232.28	232.28	232.28	-	-
Derivative Contracts	0.38	0.38	-	0.38	-
<b>Sub Total</b>	<b>232.66</b>	<b>232.66</b>	<b>232.28</b>	<b>0.38</b>	<b>0.00</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>Financial Assets at fair value through Other Comprehensive Income</b>					
Investments					
- Listed Equity Instrument	388.31	388.31	388.31	-	-
- Unlisted Equity Instrument	14.24	14.24	-	-	14.24
- Bonds	32.36	32.36	32.36	-	-
- Non-convertible Debentures	57.42	57.42	57.42	-	-
- Government Securities	1.13	1.13	1.13	-	-
Derivative Contracts	11.51	11.51	-	11.51	-
<b>Sub Total</b>	<b>504.97</b>	<b>504.97</b>	<b>479.22</b>	<b>11.51</b>	<b>14.24</b>
<b>Total Financial Assets</b>	<b>1,261.37</b>	<b>1,261.37</b>	<b>711.50</b>	<b>11.89</b>	<b>14.24</b>
<b>(2) Financial Liabilities</b>					
<b>Financial Liabilities at amortised cost</b>					
<b>Long Term Borrowings</b>					
- Debentures	513.68	510.71	-	-	510.71
- Rupee Term Loan	280.50	280.50	-	-	-
- Foreign Currency Term Loan	142.12	142.12	-	-	-
Others - Rupee Term Loan	23.70	23.70	-	-	-
Short Term Borrowings (Other than current maturity of Long term Borrowings)	20.54	20.54	-	-	-
Lease Liabilities	52.55	52.55	-	-	-
Trade Payables	571.15	571.15	-	-	-
Trade & Security Deposits	405.79	405.79	-	-	-
Amount Payable for Capital Goods	46.92	46.92	-	-	-
Interest accrued but not due on Borrowings	17.68	17.68	-	-	-
Employees Related Liabilities	31.54	31.54	-	-	-
Other Financial Liabilities	191.94	191.94	-	-	-
<b>Sub Total</b>	<b>2,298.11</b>	<b>2,295.14</b>	<b>-</b>	<b>-</b>	<b>510.71</b>
<b>Financial Liabilities at fair value through Profit &amp; Loss</b>					
Derivative Contracts	9.56	9.56	-	9.56	-
<b>Sub Total</b>	<b>9.56</b>	<b>9.56</b>	<b>-</b>	<b>9.56</b>	<b>-</b>
<b>Total Financial Liabilities</b>	<b>2,307.67</b>	<b>2,304.70</b>	<b>-</b>	<b>9.56</b>	<b>510.71</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 54.3.2 Disclosure for the year ended 31st March, 2022

Particulars	Carrying Value	Fair Value hierarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(1) Financial Assets</b>					
<b>Financial Assets at amortised cost</b>					
Trade Receivables	221.77	221.77	-	-	-
Loan Receivables	1.49	1.49	-	-	-
Cash and Cash Equivalents	72.92	72.92	-	-	-
Other Bank Balances	52.45	52.45	-	-	-
Security Deposits	36.58	36.58	-	-	-
Other Deposits, Advances and Claims Recoverable	21.23	21.23	-	-	-
Fixed Deposit with Others	70.00	70.00	-	-	-
Interest accrued on Deposits	2.38	2.38	-	-	-
Fixed Deposits maturing after 12 months from Balance Sheet date	0.63	0.63	-	-	-
Other Financial Assets	2.42	2.42	-	-	-
Incentive and Subsidy Receivable	139.03	139.03	-	-	-
<b>Sub Total</b>	<b>620.90</b>	<b>620.90</b>	-	-	-
<b>Financial Assets at fair value through Profit &amp; Loss</b>					
Investments					
- Unlisted Preference Shares	102.77	102.77	-	-	102.77
- Mutual Funds	491.15	491.15	491.15	-	-
Derivative Contracts	0.23	0.23	-	0.23	-
<b>Sub Total</b>	<b>594.15</b>	<b>594.15</b>	<b>491.15</b>	<b>0.23</b>	<b>102.77</b>
<b>Financial Assets at fair value through Other Comprehensive Income</b>					
Investments					
- Listed Equity Instrument	399.21	399.21	399.21	-	-
- Unlisted Equity Instrument	0.06	0.06	-	-	0.06
- Bonds	6.87	6.87	6.87	-	-
- Non-convertible Debentures	24.99	24.99	24.99	-	-
- Government Securities	1.17	1.17	1.17	-	-
<b>Sub Total</b>	<b>432.30</b>	<b>432.30</b>	<b>432.24</b>	-	<b>0.06</b>
<b>Total Financial Assets</b>	<b>1,647.35</b>	<b>1,647.35</b>	<b>923.39</b>	<b>0.23</b>	<b>102.83</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Carrying Value	Fair Value hierarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(2) Financial Liabilities</b>					
<b>Financial Liabilities at amortised cost</b>					
<b>Long Term Borrowings</b>					
- Debentures	550.00	556.86	-	-	556.86
- Rupee Term Loan	323.12	323.12	-	-	-
- Foreign Currency Term Loan	146.94	146.94	-	-	-
Others - Rupee Term Loan	21.79	21.79	-	-	-
Short Term Borrowings (Other than current maturity of Long term Borrowings)	137.46	137.46	-	-	-
Lease Liabilities	55.12	55.12	-	-	-
Trade Payables	477.60	477.60	-	-	-
Trade & Security Deposits	403.55	403.55	-	-	-
Amount Payable for Capital Goods	52.49	52.49	-	-	-
Interest accrued but not due on Borrowings	16.81	16.81	-	-	-
Interest accrued and due on Borrowings	1.90	1.90	-	-	-
Employees Related Liabilities	29.40	29.40	-	-	-
Other Financial Liabilities	175.19	175.19	-	-	-
<b>Sub Total</b>	<b>2,391.37</b>	<b>2,398.23</b>	<b>-</b>	<b>-</b>	<b>556.86</b>
<b>Financial Liabilities at fair value through Profit &amp; Loss</b>					
Derivative Contracts	1.06	1.06	-	1.06	-
<b>Sub Total</b>	<b>1.06</b>	<b>1.06</b>	<b>-</b>	<b>1.06</b>	<b>-</b>
<b>Financial Liabilities at fair value through Other Comprehensive Income</b>					
Derivative Contracts	1.22	1.22	-	1.22	-
<b>Sub Total</b>	<b>1.22</b>	<b>1.22</b>	<b>-</b>	<b>1.22</b>	<b>-</b>
<b>Total Financial Liabilities</b>	<b>2,393.65</b>	<b>2,400.51</b>	<b>-</b>	<b>2.28</b>	<b>556.86</b>

**54.4 Description of significant unobservable inputs to Valuation**

Particulars	Significant Unobservable Inputs	Fair value as at		Sensitivity of the Input to Fair Value
		31st March, 2023	31st March, 2022	
Unquoted Preference Shares	Risk Adjusted Discount Rate (Nil, Previous Year: 9.90%)	-	102.77	For 31st March, 2023 : Not Applicable For 31st March, 2022: Increase in Risk adjusted discount rate by 50 bps would lead to a decrease in fair value by ₹ 0.34 Crore whereas a decline by 50 bps would increase the fair value by ₹ 0.34 Crore.

**54.5** During the year ended 31st March, 2023 and 31st March, 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

**55 FINANCIAL RISK MANAGEMENT**

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Board of Directors. The different types of risk impacting the fair value of financial instruments are as below:

**55.1 Credit Risk**

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits placed with banks and financial institutions and other financial instruments.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 55.1.1 Trade Receivables

The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels. Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

#### As at 31st March, 2023

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	81.54	114.11	14.27	5.52	22.56
Expected loss rate	0.00%	0.00%	0.00%	0.00%	47.92%
Expected credit losses (Loss allowance provision)	–	–	–	–	10.81
Carrying amount of trade receivables (net of impairment)	81.54	114.11	14.27	5.52	11.75

#### As at 31st March, 2022

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	26.49	161.26	11.83	4.66	27.97
Expected loss rate	0.00%	0.00%	0.00%	0.00%	37.33%
Expected credit losses (Loss allowance provision)	–	–	–	–	10.44
Carrying amount of trade receivables (net of impairment)	26.49	161.26	11.83	4.66	17.53

#### Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2022-23	2021-22
Loss allowance as at beginning	10.44	10.78
Changes in loss allowance (Net)	0.37	(0.34)
Loss allowance as at Year end	10.81	10.44

There is no customer (Previous Year one) who represents more than 10% of the total balance of trade receivables.

### 55.1.2 Subsidies/ incentive receivable

- a) The Company is entitled to receive incentive in the form of Industrial Promotional Assistance (IPA) under the West Bengal Incentive Scheme, 2000 for a period of 10 years with effect from FY 2005-06 in relation to the cement manufacturing unit– Durga Hi-Tech Cement (“DHTC”) located at Durgapur. The Company has received eligibility certificate No. INC-2000/EC-386 (B) dated 30th August, 2005, from the Government of West Bengal confirming the eligibility of claim of incentive. The outstanding claim balance as on 31st March, 2023 is ₹ 138.58 Crores (after netting of provision made for processing fees of ₹ 3.53 Crores).

Aggrieved by the indefinite delay by the Government of West Bengal in disbursal of the funds, the Company filed a writ petition dated 22nd September, 2017 before Hon'ble High Court of Calcutta. The Hon'ble High Court by way of Order dated 22nd September, 2022 has directed the concerned department of the State Government to dispose of the representation made by the Company within six weeks from the date of the Order. Despite the direction of the Hon'ble High Court, the concerned departments of the State Government have failed to comply with the Order and hence, the Company has filed a contempt petition on 13th January, 2023 before the Hon'ble High Court of Calcutta.

- b) The Company is entitled to receive incentive in the form of Industrial Promotional Assistance (IPA) under the West Bengal State Support for Industries, Scheme, 2008 for a period of 8 years with effect from FY 2012-13 in relation to the cement manufacturing unit– Durgapur Cement Works (DCW) located at Durgapur. The Company had received from the Government of West Bengal the eligibility certificate No. DI/2008/151(B) [39/334/Burdwan (Durgapur)/ 72(2)/1971]/Pt-II dated 1st March, 2013, confirming the eligibility of claim for incentive. In accordance with the eligibility certificate and provision of the Scheme, the total incentive accrued to the company under scheme is ₹ 28.58 Crores (after netting of provision made for processing fees of ₹ 0.73 Crore).

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Based on the Company's internal assessment and the legal advice, the Company is confident about the ultimate realisation of the dues from the State Government. However, as a matter of caution based on its assessment of the expected time for recovery of the incentives receivables, a provision of ₹ 32.62 Crores on account of time value of money based on the expected credit loss method has been made in the earlier years.

**55.2 Liquidity Risk**

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds, bonds, NCDs and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

**55.2.1 Maturity Analysis for financial liabilities**
**a) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2023:**

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
<b>Non-derivative</b>						
Trade payables	–	571.15	–	–	–	571.15
Borrowings						
Redeemable Debentures ( Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	250.00	–	250.00
1500 7.05% NCD 2024	–	–	60.00	60.00	–	120.00
1500 5.75% NCD 2027	–	–	–	150.00	–	150.00
Rupee Term Loan from bank ( Refer Note No. 22.1 (b))	–	21.50	22.32	195.66	42.00	281.48
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	15.79	22.97	103.36	–	142.12
Rupee Term Loan from other ( Refer Note No. 22.1 (d))	–	–	–	20.99	12.02	33.01
Short Term Borrowings other than current maturity of long term borrowings	2.54	18.00	–	–	–	20.54
<b>Other financial liabilities</b>						
Lease Liabilities	–	–	3.00	14.19	35.36	52.55
Trade & Security Deposits*	–	–	–	–	405.79	405.79
Amount Payable for Capital Goods	–	46.92	–	–	–	46.92
Interest accrued but not due on Borrowings	–	15.18	2.50	–	–	17.68
Employees Related Liabilities	–	31.54	–	–	–	31.54
Others Financial Liabilities	1.35	180.96	–	9.63	–	191.94
<b>Total</b>	<b>3.89</b>	<b>901.04</b>	<b>110.79</b>	<b>803.83</b>	<b>495.17</b>	<b>2,314.72</b>
<b>Derivative</b>						
Foreign Exchange forwards contracts and other Derivative Instruments	–	2.41	1.02	6.13	–	9.56

\* Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2022:

(₹ in Crores)

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
<b>Non-derivative</b>						
Trade payables	–	477.60	–	–	–	477.60
Borrowings						
Redeemable Debentures ( Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	250.00	–	250.00
1500 7.05% NCD 2024	–	–	30.00	120.00	–	150.00
1500 5.75% NCD 2027	–	–	–	150.00	–	150.00
Rupee Term Loan from bank ( Refer Note No. 22.1 (b))	–	21.50	21.50	197.48	84.00	324.48
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	7.94	7.94	131.06	–	146.94
Rupee Term Loan from other ( Refer Note No. 22.1 (d))	–	–	–	11.91	21.10	33.01
Short Term Borrowings other than current maturity of long term borrowings	2.46	135.00	–	–	–	137.46
Other financial liabilities						
Lease Liabilities	–	–	2.71	12.63	39.78	55.12
Trade & Security Deposits*	–	–	–	–	403.55	403.55
Amount Payable for Capital Goods	–	52.49	–	–	–	52.49
Interest accrued but not due on Borrowings	–	13.69	3.12	–	–	16.81
Interest accrued and due on Borrowings	–	1.90	–	–	–	1.90
Employees Related Liabilities	–	29.40	–	–	–	29.40
Others Financial Liabilities	1.41	165.82	–	7.96	–	175.19
<b>Total</b>	<b>3.87</b>	<b>905.34</b>	<b>65.27</b>	<b>881.04</b>	<b>548.43</b>	<b>2,403.95</b>
<b>Derivative</b>						
Foreign Exchange forwards contracts and other Derivative Instruments	–	0.44	0.07	1.77	–	2.28

\* Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

- c) The amounts are gross and undiscounted (except for lease liability) and exclude the impact of netting agreements (if any). The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

### 55.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

#### 55.3.1 Commodity Price Risk

The Company primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**55.3.2 Foreign Currency Risk**

(₹ in Crores)

The Company has Foreign Currency Exchange Risk on imports of input materials, capital equipments and also borrows funds in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

**a) Exposure to currency risk**

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

**i) Unhedge Foreign Currency Exposure**

Particulars	As at 31st March, 2023					
	USD	INR	EUR	INR	GBP	INR
<b>Financial Assets</b>						
Trade Receivables	-	-	-	-	0.00	0.13
Other Receivables	0.01	0.79	-	-	-	-
<b>Financial Liabilities</b>						
Trade Payables & Others	0.00	0.05	0.00	0.13	0.00	0.21
<b>Net Exposure-Liability</b>	<b>(0.01)</b>	<b>(0.74)</b>	<b>0.00</b>	<b>0.13</b>	<b>0.00</b>	<b>0.08</b>

Particulars	As at 31st March, 2022					
	USD	INR	EUR	INR	GBP	INR
<b>Financial Assets</b>						
Trade Receivables	-	-	0.01	0.46	-	-
<b>Financial Liabilities</b>						
Trade Payables & Others	0.00	0.03	0.00	0.23	0.00	0.05
<b>Net Exposure-Liability</b>	<b>0.00</b>	<b>0.03</b>	<b>(0.01)</b>	<b>(0.23)</b>	<b>0.00</b>	<b>0.05</b>

**ii) Hedge Foreign Currency Exposure**

Particulars	As at 31st March, 2023					
	USD	INR	EUR	INR	SGD	INR
<b>Derivative Assets</b>						
Forward Contract against Trade Receivable	0.10	7.85	-	-	-	-
Forward Contract against Firm Commitments	0.26	21.46	-	-	-	-
<b>Derivative Liabilities</b>						
Forward Contract - Against Payable	0.01	0.92	-	-	-	-
Cross Currency Swaps Contract - Against Payable [Refer Note (b)] below	-	-	-	-	2.30	142.12
Forward Contract - Against Firm Commitments	0.54	43.98	-	-	-	-
<b>Net Exposure-Liability</b>	<b>0.19</b>	<b>15.59</b>	<b>-</b>	<b>-</b>	<b>2.30</b>	<b>142.12</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

Particulars	As at 31st March, 2022					
	USD	INR	EUR	INR	SGD	INR
<b>Derivative Assets</b>						
Forward Contract against Trade Receivable	0.13	9.90	-	-	-	-
Forward Contract against Firm Commitments	0.22	16.68	-	-	-	-
<b>Derivative Liabilities</b>						
Forward Contract - Against Payable	-	-	-	-	-	-
Cross Currency Swaps Contract - Against Payable (Refer Note (b) below)	-	-	-	-	2.58	146.94
Forward Contract - Against Firm Commitments	1.81	137.19	-	-	-	-
<b>Net Exposure-Liability</b>	<b>1.46</b>	<b>110.61</b>	-	-	<b>2.58</b>	<b>146.94</b>

b) The Company uses Cross Currency Swaps to hedge foreign exchange rate and Interest rate of External Commercial Borrowings of SGD 2.30 Crores (Previous Year: SGD 2.58 Crores).

c) **Sensitivity Analysis**

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure. The following table demonstrates the sensitivity in the USD, EUR and GBP to the Indian Rupee with all other variables held constant.

Particulars	31st March, 2023			31st March, 2022		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
USD Sensitivity Increase	5%	0.04	0.02	5%	(0.00)	(0.00)
USD Sensitivity Decrease	5%	(0.04)	(0.02)	5%	0.00	0.00
EUR Sensitivity Increase	5%	(0.01)	(0.00)	5%	0.01	0.01
EUR Sensitivity Decrease	5%	0.01	0.00	5%	(0.01)	(0.01)

Sensitivity analysis for GBP is insignificant, hence ignored.

### 55.3.3 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) **Exposure to Interest Rate Risk**

Particulars	31st March, 2023	31st March, 2022
<b>Fixed Rate Instruments</b>		
Financial Assets	-	-
Financial Liabilities	142.12	146.94
	<b>142.12</b>	<b>146.94</b>
<b>Variable Rate Instruments</b>		
Financial Assets	-	-
Financial Liabilities ^	801.48	874.48
	<b>801.48</b>	<b>874.48</b>

^ Includes liabilities originally taken as fixed rate instruments but later on converted into variable rate instruments as the Company entered into various swaps (derivative contract).

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**b) Interest Rate Sensitivity**

(₹ in Crores)

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity:

Particulars	31st March, 2023			31st March, 2022		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Interest Rate Increase by	0.50%	(4.01)	(2.61)	0.50%	(4.37)	(2.84)
Interest Rate Decrease by	0.50%	4.01	2.61	0.50%	4.37	2.84

**55.3.4 Other Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance Sheet either at fair value through other comprehensive income or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Company, fluctuation in their prices are considered acceptable and do not warrant any management.

**a) Exposure to other market price risk**

Particulars	31st March, 2023	31st March, 2022
Investment in Equity Instruments - quoted	388.31	399.21
Investment in Mutual Funds	232.28	491.15
Investment In Bonds and Non-convertible Debentures	89.78	31.86
Investment in Government Securities	1.13	1.17
	<b>711.50</b>	<b>923.39</b>

**b) Sensitivity Analysis**

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2023			31st March, 2022		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Market rate Increase	5%	35.58	23.14	5%	46.17	30.04
Market rate Decrease	5%	(35.58)	(23.14)	5%	(46.17)	(30.04)

**55.4 Hedge Accounting - Cash Flow Hedges**

The objective of cross currency swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps based on qualitative approach. The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

- i. An economic relationship between the hedged item and the hedging instrument
- ii. The effect of credit risk
- iii. Assessment of the hedge ratio

The Company designates cross currency swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 55.4.1 Disclosure of effects of hedge accounting on financial position as at 31st March, 2023:

(₹ in Crores)

Type of hedge and risks	Nominal value Assets / (Liabilities)	Carrying amount of hedging instrument Assets / (Liabilities)	Maturity date	Changes in fair value Gain / (loss) of hedging instrument since inception of hedge	Changes in the fair value Gain / (loss) of hedged item used as the basis for recognising hedge effectiveness
<b>Cash flow hedge</b>					
Foreign currency loan (SGD 2.30 Crores) Refer Note No. 22.1 (c)					
- Cross Currency Swap	(142.12)	11.51	June '23 to Jun'26	11.51	(15.94)
<b>Total</b>	<b>(142.12)</b>	<b>11.51</b>		<b>11.51</b>	<b>(15.94)</b>

### Disclosure of effects of hedge accounting on financial position as at 31st March, 2022:

Type of hedge and risks	Nominal value Assets / (Liabilities)	Carrying amount of hedging instrument Assets / (Liabilities)	Maturity date	Changes in fair value Gain / (loss) of hedging instrument since inception of hedge	Changes in the fair value Gain / (loss) of hedged item used as the basis for recognising hedge effectiveness
<b>Cash flow hedge</b>					
Foreign currency loan (SGD 2.58 Crores) Refer Note No. 22.1 (c)					
- Cross Currency Swap	(146.94)	(1.22)	June '22 to Jun'26	(1.22)	(5.46)
<b>Total</b>	<b>(146.94)</b>	<b>(1.22)</b>		<b>(1.22)</b>	<b>(5.46)</b>

### 55.4.2 The movement of effective portion of Cash Flow Hedges are shown below:

Particulars	31st March, 2023	31st March, 2022
<b>Opening Balance</b>	(4.34)	(6.24)
Gain/(loss) recognized on cash flow hedges	2.24	2.91
Income tax relating to gain/(loss) recognized on cash flow hedges	(0.78)	(1.01)
Reclassified to Statement of Profit and Loss	-	-
Income tax relating to Reclassified to Statement of Profit and Loss	-	-
<b>Closing Balance</b>	<b>(2.88)</b>	<b>(4.34)</b>

### 55.4.3 Foreign Currency Forward Contracts and Overnight Index Swaps

The Company enters into forward contracts with intention to reduce the foreign exchange risk of expected purchases and enters into overnight index swap to manage interest cost on fixed rate borrowings. Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year. Similarly, the overnight index swaps are also not designated as cash flow hedges. The fair value of foreign currency forward contracts and overnight index swaps are as under:

Particulars	31st March, 2023		31st March, 2022	
	Assets	Liability	Assets	Liability
Foreign Currency Forward Contracts	0.38	0.06	0.23	0.38
Overnight Index Swaps	-	9.50	-	0.68

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**56. CAPITAL MANAGEMENT**

The Company's objective to manage its Capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of Capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of Capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. The Company monitors Capital using Gearing Ratio which is Net Debt (total borrowings less current investments, cash and cash equivalents and other bank balances) divided by Total Equity plus Net Debt.

Particulars	31st March, 2023	31st March, 2022
Gearing Ratio	0.10	0.07

**57. GOVERNMENT GRANTS DURING THE YEAR COMPRISING INCENTIVE AND SUBSIDIES INCLUDE:**

- 57.1** Tax incentive for capital investments under various State Investment Promotion Schemes of ₹ 3.98 Crores (Previous Year ₹ 0.00 Crore).
- 57.2** Amortisation of the deferred revenue of ₹ 1.90 Crores (Previous Year ₹ 1.27 Crores) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.
- 57.3** Amortisation of the deferred revenue of ₹ 0.23 Crore (Previous Year ₹ 0.42 Crore) on account of investment in plant & machineries under various State Investment Promotion Schemes.
- 57.4** Renewable energy certificates for generation of power from solar power plant under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 of ₹ 0.42 Crore (Previous Year ₹ 0.42 Crore).
- 57.5** The Company has also recognised income from export benefits of ₹ 2.65 Crores (Previous Year ₹ 2.61 Crores).

**58. FINANCIAL PERFORMANCE RATIOS**

Ratios	Numerator	Denominator	31st March, 2023	31st March, 2022	Variance (%)
Current Ratio (in times)	Current Assets	Current Liabilities	1.34	1.59	-15.72%
Debt-Equity Ratio (in times)	Non-Current Borrowings & Current Maturities of Non-Current Borrowings	Equity (excluding Revaluation Surplus and Capital Reserve)	0.23	0.25	-8.00%
Debt Service Coverage Ratio (in times) (Refer Note i below)	Earnings before Interest, Tax and Depreciation	Interest Expense plus Principal Payment for Non-Current Borrowings during the year	1.75	1.22	43.44%
Return on Equity Ratio (Refer Note ii below)	Profit after Tax	Equity (excluding Revaluation Surplus and Capital Reserve)	1.08%	4.77%	-77.43%
Inventory Turnover Ratio (in times)	Sale of Products & Services	Average Inventory	7.91	7.93	-0.25%
Trade Receivables Turnover Ratio (in times)	Sale of Products & Services	Average Debtors	23.92	22.64	5.65%
Trade Payables Turnover Ratio (in times)	Purchases	Average Creditors	9.09	8.94	1.71%
Net Capital Turnover Ratio (in times) (Refer Note iii below)	Sale of Products & Services	Closing Working Capital	9.59	6.01	59.51%
Net Profit Ratio (Refer Note iv below)	Profit after Tax	Sale of Products & Services	0.85%	4.28%	-80.14%
Return on Capital Employed (Refer Note v below)	Earnings before Interest and Tax	Capital Employed (Tangible net worth plus total debt plus deferred tax liability)	2.79%	6.43%	-56.57%
Return on Investment (Refer Note vi below)	Return on Investments and Fixed Deposit	Average Investments and Fixed Deposits	2.91%	13.74%	-78.81%

**Note: Explanation for changes in ratio by more than 25%**

- (i) Lower principal long term loan repayment improves Debt service coverage ratio.
- (ii) Return on Equity decreased on account of decrease in profitability.
- (iii) Growth in revenue and decreased working capital improves net capital turnover ratio.
- (iv) Net profit ratio decreased on account of decrease in profitability.
- (v) Decreased earnings resulted in decrease of return on capital employed.
- (vi) Decreased return on investment due to lower return on equity.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 59 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III OF COMPANIES ACT, 2013

#### 59.1 Struck off Companies

- (a) Details of relationships and transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31st March, 2023	Balance outstanding as at 31st March, 2022	Relationship with the Struck off company
Maharaja Agency Private Limited	Receivables	0.82	0.82	Vendor
Maharaja Agency Private Limited	Payables	0.05	0.05	Vendor
Surface Commercial Private Limited	Payables	0.01	0.01	Vendor
Mahesh Carriers Private Limited	Payables	0.01	0.01	Vendor
A and S Advertising Private Limited	Payables	0.00	0.00	Vendor
Wollmine India Private Limited	Payables	0.01	0.01	Vendor

- (b) Details of Stuck off entities holding equity shares in the Company:

Name of struck off Company	As at 31st March, 2023		As at 31st March, 2022		Relationship with the Struck off company
	No. of Shares Held	Paid-up value in (₹)	No. of Shares Held	Paid-up value in (₹)	
A.S. Moloobhoy Marine Services Private Limited	100	1000	100	1000	Shareholder
Mangal & Co. Private Limited	6	60	6	60	Shareholder
RBG Investment and Finance Limited	50	500	50	500	Shareholder

#### 59.2 Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

#### 59.3 Loans or Advances to Promoters, Directors, KMPs and the related parties

The Company has not given any loan or advance in the nature of loan to promoters, directors, KMPs and the related parties (as defined under the Act), either severally or jointly with any other person during the year ended 31st March, 2023 and the year ended 31st March, 2022 except as disclosed in Note No. 11.

#### 59.4 Utilisation of Borrowed Funds and Share Premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities including foreign entities (intermediaries) with the understanding that the Intermediaries shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or provided any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provided any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**60 SEGMENT REPORTING**
**A) Primary Segment Information**

(₹ in Crores)

Particulars	2022-23				2021-22			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
<b>Business Segment</b>								
<b>Segment Revenue</b>								
(a) External Sales	5,002.37	436.60	2.22	5,441.19	4,382.71	407.60	0.62	4,790.93
(b) Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	–	7.23	8.29
<b>Total</b>	<b>5,003.81</b>	<b>436.61</b>	<b>7.86</b>	<b>5,448.28</b>	<b>4,383.77</b>	<b>407.60</b>	<b>7.85</b>	<b>4,799.22</b>
Less : Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	–	7.23	8.29
<b>Revenue from Operations</b>	<b>5,002.37</b>	<b>436.60</b>	<b>2.22</b>	<b>5,441.19</b>	<b>4,382.71</b>	<b>407.60</b>	<b>0.62</b>	<b>4,790.93</b>
<b>Segment Result</b>	<b>120.82</b>	<b>25.72</b>	<b>(2.25)</b>	<b>144.29</b>	<b>317.16</b>	<b>44.10</b>	<b>(2.85)</b>	<b>358.41</b>
Add:								
(i) Interest Income				8.36				13.26
(ii) Unallocated Income net of unallocated Expense				2.70				1.30
Less:								
(i) Interest Expense				107.00				100.53
<b>Profit before Tax</b>				<b>48.35</b>				<b>272.44</b>
Tax Expense								
Current Tax				9.98				50.08
Deferred Tax				(7.03)				20.35
Income Tax for earlier years				–				(0.91)
<b>Profit after tax</b>				<b>45.40</b>				<b>202.92</b>
<b>Other Information</b>								
<b>Segment Assets</b>	3,684.83	1,103.87	132.41	4,921.11	3,482.11	1,073.71	163.99	4,719.81
Unallocated assets				3,266.85				3,643.08
<b>Total Assets</b>				<b>8,187.96</b>				<b>8,362.89</b>
<b>Segment Liabilities</b>	1,146.62	12.16	2.52	1,161.30	1,090.86	16.05	2.31	1,109.22
Unallocated liabilities				1,888.42				2,058.53
<b>Total Liabilities</b>				<b>3,049.72</b>				<b>3,167.75</b>
<b>Segment Capital Expenditure</b>	241.14	13.17	–	254.31	250.85	5.56	–	256.41
Common Capital Expenditure				6.00				11.47
<b>Total Capital Expenditure</b>				<b>260.31</b>				<b>267.88</b>
<b>Segment Depreciation</b>	174.86	6.10	0.71	181.67	164.14	6.97	0.75	171.86
Common Depreciation				5.64				5.00
<b>Total Depreciation</b>				<b>187.31</b>				<b>176.86</b>

**B) Secondary (Geographical) Segment Information**

Geographical segment is identified as the secondary segment and details are given below:

Particulars	2022-23	2021-22
1. Revenue from external customers		
– Within India	5,360.61	4,716.49
– Outside India	80.58	74.44
<b>Total</b>	<b>5,441.19</b>	<b>4,790.93</b>

- The Company does not have any tangible, intangible assets and non current operating assets located outside India.
- During the year as well as previous year, No customer contributed 10% or more to the Company's revenue from operations.

**C) Other Disclosures**

The Company's operations predominantly relate to Cement. Other products are Jute Goods and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in the standalone financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 61 RELATED PARTY DISCLOSURES

61.1 As defined in Indian Accounting Standard (Ind AS)-24, the Company has a related party relationship in the nature of control over its subsidiaries namely:

Name of the Entity	Relation	Place of Incorporation	Ownership Interest held by the Company	
			31st March, 2023	31st March, 2022
Birla Corporation Cement Manufacturing PLC *	Subsidiary	Ethiopia	100%	100%
Birla Jute Supply Company Limited		India	100%	100%
Talavadi Cements Limited		India	98.01%	98.01%
Lok Cement Limited		India	100%	100%
Budge Budge Floorcoverings Limited		India	100%	100%
Birla Cement (Assam) Limited		India	100%	100%
M. P. Birla Group Services Private Limited		India	100%	100%
RCCPL Private Limited		India	100%	100%
AAA Resources Private Limited (w.e.f. 30th July, 2021)	Stepdown Subsidiary	India	100%	100%
Utility Infrastructure & Works Private Limited (w.e.f. 31st March, 2022)		India	100%	100%

\* The subsidiary company stands liquidated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

61.2 Other related parties with whom transactions have taken place during the year and previous year are:

61.2.1 Nature	Name of the Company
Entities exercising significant influence over the Company	Vindhya Telelinks Limited
	August Agents Limited
	Insilco Agents Limited
	Laneseda Agents Limited

61.2.2 Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Sandip Ghose	Wholetime Director (appointed w.e.f. 1st December, 2022 to 31st December, 2022) Managing Director and Chief Executive Officer (appointed w.e.f. 1st January, 2023)
	Mr. Arvind Pathak	Managing Director and Chief Executive officer (Ceased to be MD and CEO w.e.f. 1st January, 2023 as a result of his resignation)
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor (Ceased to be WTD w.e.f. 20th May, 2021 as a result of his resignation from Directorship)
	Mr. Vikram Swarup	Directors
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon (ceased to be the Director w.e.f. 12th May, 2022 as a result of his resignation)	
	Mr. Dhruva Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
Mr. Dilip Ganesh Karnik		

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

61.2.3 Nature	Name of the Trust/Fund
Post Employment Benefit Plan Trust	Satna Cement Works Employees' Provident Fund
	Soorah Jute Mills Employees' Provident Fund Trust
	M P Birla Group Provident Fund Institution
	Birla Cement Works Staff Provident Fund
	Birla Jute Mills Workers' Provident Fund Trust
	Durgapur Cement Works Employees' Provident Fund
	Birla Corporation Limited, Employees Gratuity Fund
	Birla DLW Ltd. Employees Gratuity Fund
	Birla Corporation Superannuation Fund

61.2.4 Nature	Name	Relations
Close members of the family of a Key Management Personnel (KMP)	Ms. Radhika Bordia	Daughter of Mr. Anand Bordia (Director)
	Ms. Devika Bordia	Daughter of Mr. Anand Bordia (Director)

**61.3 Transactions during the year**

Particulars	2022-23						2021-22					
	Subsidiaries		Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust	Close members of the family of a KMP	Subsidiaries		Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust	Close members of the family of a KMP
	RCCPL Private Limited	Others					RCCPL Private Limited	Others				
Sales of goods/CWIP/services provided	413.51	0.09	-	-	-	-	405.80	-	-	-	-	-
Purchase of goods/ services received	291.07	0.69	0.53	-	-	-	239.40	0.76	1.20	-	-	-
Investment made in Equity Shares	-	0.05	-	-	-	-	-	-	-	-	-	-
Redemption of Investment in Preference Shares	100.00	-	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on restatement of investment in Preference Shares (Mark to Market )	(2.77)	-	-	-	-	-	(36.98)	-	-	-	-	-
Payment of rent	-	0.09	-	-	-	0.06	-	0.09	-	-	-	0.06
Receipt of rent	-	0.00	0.06	-	-	-	-	0.00	0.06	-	-	-
Advances given	-	0.07	-	-	-	-	13.62	0.08	-	-	-	-
Advances recovered	-	0.07	-	-	-	-	13.62	0.08	-	-	-	-
Paid to Trust-Employees Provident Fund Contribution	-	-	-	-	8.90	-	-	-	-	-	7.84	-
Paid to Trust-Employees Gratuity Fund Contribution	-	-	-	-	1.50	-	-	-	-	-	6.00	-
Paid to Trust-Employees Superannuation Fund Contribution	-	-	-	-	2.46	-	-	-	-	-	2.55	-
Remuneration, Perquisites & Others (Refer Note No. 61.3.1)	-	-	-	6.88	-	-	-	-	-	5.91	-	-
Change in the Corporate Guarantee (to the extent of changes in loan outstanding)	(270.81)	-	-	-	-	-	(45.41)	-	-	-	-	-
Dividend Paid												
- Vindhya Telelinks Limited			6.38						6.38			
- August Agents Limited	-	-	6.02	-	-	-	-	-	6.02	-	-	-
- Insilco Agents Limited			6.00						6.00			
- Laneseda Agents Limited			5.99						5.99			
Dividend Received	10.00	-	0.00	-	-	-	50.00	-	0.00	-	-	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 61.3.1 Key Management Personnel Compensation

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Short-Term Employee Benefits (Refer Note No. 63)	5.31	4.37
Post-Employment Benefits (Refer Note No. 63)	0.19	0.14
Director's Sitting Fees	0.78	0.70
Director's Commission	0.60	0.70
<b>Total Compensation</b>	<b>6.88</b>	<b>5.91</b>

The above does not include Gratuity and Leave encashment benefits since the same is computed actuarially for all employees and the amount attributable to the managerial person cannot be ascertained separately.

### 61.4 Balance Outstanding as at the balance sheet date

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Trade Payables</b>		
Entities exercising significant influence over the Company	0.13	0.17
<b>Provision for Employees Benefit</b>		
Post Employment Benefit Plan Trust	0.74	0.68
<b>Trade Receivables</b>		
Subsidiaries - RCCPL Private Limited	17.87	42.94
<b>Other Receivables</b>		
Subsidiaries - Others	–	0.39
Post Employment Benefit Plan Trust	2.47	5.94
Entities exercising significant influence over the Company	0.01	–
<b>Advances Given / Security Deposited</b>		
Subsidiaries - Others	0.07	0.07
Close members of the family of a KMP	0.03	0.03
<b>Investments (other than equity shares)</b>		
Subsidiaries - RCCPL Private Limited	–	102.77
<b>Corporate Guarantee Outstanding (to the extent of loan outstanding)</b>		
Subsidiaries - RCCPL Private Limited	24.53	295.34
<b>Provision for Doubtful Advances</b>		
Subsidiaries - Others	0.07	0.07
<b>Short-term employee benefits</b>		
Key Management Personnel	1.12	1.12

### 61.5 Terms and Conditions of transactions with Related Parties:

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances as well as Corporate Guarantee issued to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Company has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

- 62** The Company had investment in AMP Solar Clean Power Private Limited ('AMP') by way of purchase of 2,54,946 fully paid up equity shares having face value of ₹ 10 each, amounting of ₹ 0.25 Crore (7.80% holding in AMP) and in 22,945 compulsorily convertible debentures having face value of ₹ 1000 each, amounting of ₹ 2.29 Crores under Share Purchase, Subscription and Shareholders Agreement. Further, the Company had entered into a long-term power purchase agreement ('PPA') with the AMP which is engaged in the business of generating and sale of solar power. The PPA has a lock-in period of 15 years wherein the Company (alongwith the subsidiary company) is required to purchase the entire contracted power capacity from the said plant.
- The investment in equity shares in AMP together with the Subsidiary Company is 26%. Considering the substance of the transactions, in the opinion of the management, it was not considered as a related party under Ind AS 24/28. Accordingly, the investment in equity shares and compulsorily convertible debentures was recognized at amortised cost under "Deposits" at ₹ 0.43 Crore as per the provision of Ind AS 109 and the difference between amortised cost and investment value of ₹ 2.11 Crores was considered for valuation of "Right of Use Assets- Plant and Machinery".
- Taking into consideration the terms and conditions of PPA, it was considered that the arrangement in respect of long term power purchase agreement satisfies all the conditions of the lease as per IND AS 116. Consequently, Right of Use Assets and Lease Liabilities was recognized.
- 63** Managerial Remuneration paid to two Non-Promoter Wholetime / Managing Directors for the year ended 31st March, 2023, exceeded the permissible limits as prescribed under section 197 read with Schedule – V of the Companies Act, 2013 by ₹ 1.53 Crores. The Company is in the process of obtaining necessary approval from its shareholders at the forthcoming Annual General Meeting for such excess remuneration paid or provided.
- 64** The Code on Social Security, 2020 which received the President's assent on 28th September 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognized post notification of the relevant provisions.
- 65** Previous year figures have been regrouped/ rearranged/ reclassified wherever necessary. Further, there are no material regroupings/ reclassifications during the year.

As per our annexed Report of even date

For **V. SANKAR AIYAR & CO.**

Chartered Accountants

Firm Registration No. 109208W

M. S. BALACHANDRAN

Partner

Membership No. 024282

Kolkata

Date: 9th May, 2023

**For and on behalf of the Board of Directors**

ADITYA SARAOGI

Chief Financial Officer

MANOJ KUMAR MEHTA

Company Secretary  
& Legal Head

HARSH V. LODHA

Chairman

(DIN : 00394094)

SANDIP GHOSE

Managing Director  
& Chief Executive Officer  
(DIN: 08526143)

## Form AOC-1

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

#### Part "A": Subsidiaries

(₹ in Crores)

Sl. No.	Name of the Subsidiary	RCCPL Private Limited	Birla Jute Supply Company Limited	Talavadi Cements Limited	Lok Cement Limited	Budge Budge Floor-coverings Limited	Birla Cement (Assam) Limited	M.P. Birla Group Services Private Limited	AAA Resources Private Limited (Refer Note 4)	Utility Infrastructure & Works Private Limited (Refer Note 4)
1	Date of acquisition / incorporation	22.08.2016	16.11.1950	01.12.1998	01.01.1999	26.05.2006	16.04.2008	29.04.2008	30.07.2021	31.03.2022
2	Share Capital	312.82	0.06	6.00	1.25	4.00	0.05	0.07	0.74	0.69
3	Reserve & Surplus	2,798.31	2.25	3.45	(0.68)	(2.17)	(0.02)	(0.02)	12.11	(0.71)
4	Total Assets	8,169.38	2.62	9.73	0.57	1.93	0.03	0.05	13.15	5.43
5	Total Liabilities	5,058.25	0.32	0.28	0.00	0.10	0.00	0.00	0.30	5.44
6	Investments	153.08	-	0.00	-	0.31	-	-	0.24	-
7	Turnover	3,755.13	-	-	-	-	-	-	0.40	-
8	Profit before Taxation	(4.77)	0.05	0.32	0.01	(0.00)	(0.00)	(0.00)	0.01	(0.01)
9	Provision for Taxation	(0.40)	0.01	0.06	-	(0.03)	-	-	0.00	-
10	Profit After Taxation	(4.37)	0.04	0.26	0.01	0.02	(0.00)	(0.00)	0.01	(0.01)
11	Proposed Dividend	-	-	-	-	-	-	-	-	-
12	% of Shareholding	100%	100%	98.01%	100%	100%	100%	100%	100%	100%

- Notes:**
- None of the subsidiaries have reporting period different from the Parent Company.
  - None of the above mentioned subsidiaries are foreign subsidiaries.
  - (a) Subsidiaries which are yet to commence operations.
    - Lok Cement Limited
    - Birla Cement (Assam) Limited
    - M. P. Birla Group Services Private Limited
  - (b) Subsidiaries which have been liquidated or sold during the year: Nil
  - 4 Stepdown Indian Subsidiaries.
  - 5 PART B of the Form AOC-1 is not applicable as there are no associate companies/joint ventures of the Company as on 31st March, 2023.

#### For and on behalf of the Board of Directors

ADITYA SARAOGI  
Chief Financial Officer

HARSH V. LODHA  
Chairman  
(DIN : 00394094)

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN : 08526143)

Kolkata

Date: 9th May, 2023

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**CONSOLIDATED FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BIRLA CORPORATION LIMITED

#### Report on the Audit of the Consolidated Financial Statements

##### Opinion

We have audited the accompanying consolidated financial statements of **BIRLA CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2023 and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31st March 2023, consolidated profit (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows and for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of the is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of subsidiary companies audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our

opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p><b>Recoverability of MAT Credit Entitlement in future - Relating to Parent Company:</b></p> <p>The Parent Company has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, estimation of long-term future profitability, future revenue from proposed projects and tax regulations and developments.</p> <p>As a result, the recognition of the deferred tax asset on above was significant to our audit.</p> <p>The disclosures relating to the above are included in Note No. 25 of the consolidated financial statements.</p>	<p>Audit procedures included, among others, review of:</p> <ul style="list-style-type: none"> <li>• The appropriateness of the methodology applied by the Parent Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits.</li> <li>• The likelihood of the Parent Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalizations and depreciation allowance thereon and future estimates of taxable income.</li> <li>• The adequacy of the Parent Company's disclosures in the financials on deferred tax assets and assumptions used.</li> </ul>
<p><b>Litigations and Claims</b></p> <p>The Group is exposed to different laws, regulations and interpretations thereof which encompasses direct/indirect taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal and tax proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims.</p> <p>Based on the nature of regulatory and legal cases management applies significant judgement when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change significantly over time as new facts emerge and each legal case progresses.</p> <p>Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.</p> <p>(Refer Note No. 41 to the consolidated financial statements)</p>	<p>Our audit procedure in response to this key Audit Matter included, among others,</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of possible legal and tax risks by the legal and tax department of the Group considering the legal precedence and other rulings in similar cases.</li> <li>• Inquiry with the legal and tax divisions of the Group regarding the status of the most significant disputes and perusal of the relevant documentation.</li> <li>• Taking note of opinion received from the experts, where available.</li> <li>• Review of the adequacy of the disclosures in the notes to the consolidated financial statements.</li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective board of directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are

responsible for assessing the ability of each company included in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

**Auditor's Responsibilities for the Audit of Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of

the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumptions. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) and (b) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- (a) We did not audit the financial statements and other financial information of six subsidiaries, whose financial statements (before consolidation adjustments) reflect the total assets of ₹ 14.94 Crores as at 31st March 2023, total revenues of ₹ 0.94 Crore and net cash flow amounting of ₹ (-) 0.10 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) The consolidated financial statements include financial statement and other financial information of one subsidiary, whose financial statement (before consolidation adjustments) reflect the total assets of ₹ 12.32 Crores as at 31st March 2023, total revenues of ₹ 0.42 Crore for the year ended 31st March 2023 and net cash flow amounting of ₹ (-) 0.03 Crore for the year ended on that date. This financial statement and other financial information has been audited by another auditor and for consolidation purpose, adjustments have been made by the subsidiary company's management. We have audited these consolidation adjustments made by the subsidiary company's management. Our opinion in so far relates to the balances and affairs of the above mentioned subsidiary is based on report of the other auditor and consolidation adjustments prepared by the subsidiary company's management and audited by us.

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

**Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in the paragraphs 3(xxi) of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the financial information of the subsidiaries, as noted in the "Other Matter" paragraph, we report to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules made thereunder;
  - e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2023 and taken on record by the Board of Directors of the Holding Company and the reports of Statutory Auditors of its subsidiary companies, none of the Directors of the Group Companies is disqualified as on 31st March, 2023 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) With respect to the other matters to be included in the

Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the current year is in accordance with the provisions of section 197 of the Act, except for remuneration paid/provided to two Directors by the Holding Company during the year ended 31st March, 2023, which is in excess of the limits given under section 197 of the Act, read with Schedule -V of the Act, by Rs. 1.53 crores which is subject to the approval of its Shareholders. The Holding Company proposes to obtain necessary approvals from the Shareholders in the forthcoming Annual General Meeting in accordance with the provisions of the Companies Act, 2013 (Refer Note No. 64 to the consolidated financial statements).

- 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, as amended, 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 of the subsidiaries, as noted in the "Other Matters" paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2023 on the consolidated financial position of the Group – Refer Note 41 to the consolidated financial statements;
  - ii. Provision has been made in the consolidated financial statements as at 31st March 2023, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company or its subsidiary companies during the year ended 31st March, 2023 in accordance with the relevant provisions of the Act and Rules made there under.
  - iv. (a) The respective management of the Holding Company and its subsidiaries have represented to us and the other auditors of subsidiaries respectively that, to the best of their knowledge

and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note No. 58.4 to the consolidated financial statements);

(b) The respective management of the Holding Company and its subsidiaries have represented to us and the other auditors of subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries companies shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security

or the like on behalf of the Ultimate Beneficiaries (Refer Note No. 58.4 to the consolidated financial statements); and

- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of subsidiaries, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The dividend declared or paid during the year by the Holding Company and one subsidiary, are in compliance with section 123 of the Act.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from 1st April, 2023 to the Holding Company and its subsidiaries, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

**For V. Sankar Aiyar & Co.**  
Chartered Accountants  
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)  
Partner (M. No: 024282)  
UDIN: 23024282BGVKAN2381

Place: Kolkata  
Dated: 9th May, 2023

**Annexure - A to the Independent Auditors' report on the consolidated financial statements of Birla Corporation Limited for the year ended 31st March, 2023.**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)**

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of the subsidiary companies, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements except the following:

<b>Name of the Company</b>	<b>CIN</b>	<b>Nature of Relationship</b>	<b>Clause No. of CARO Report</b>	<b>Remarks</b>
RCCPL Private Limited	U26940MH2007PTC173458	Wholly owned Subsidiary	(i) (c)	Mutation in favour of the Subsidiary Company is in process for freehold land, stated at book value of ₹ 0.78 Crore.

**For V. Sankar Aiyar & Co.**  
Chartered Accountants  
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)  
Partner (M. No: 024282)  
UDIN: 23024282BGVKAN2381

Place: Kolkata

Dated: 9th May, 2023

## **Annexure - B to the Independent Auditor's Report on the consolidated financial statements of Birla Corporation Limited for the year ended 31st March, 2023.**

### **Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

#### **(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)**

In conjunction with our audit of the consolidated financial statements of **BIRLA CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March, 2023, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiaries as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated 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 of the relevant subsidiary companies 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 internal financial controls with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection

of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

**Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and based on the consideration of reports of other auditors on internal financial controls with reference to financial statements of subsidiary companies, the Holding Company and its subsidiary companies have, in all material respects, adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating

effectively as at 31st March 2023, based on the internal control with reference to consolidated financial statements criteria established by such companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matter**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal finance controls with reference to consolidated financial statements in so far as it relates to seven subsidiary companies is based on the corresponding reports of the auditors of such subsidiary companies.

Our opinion is not modified in respect of this matter.

**For V. Sankar Aiyar & Co.**

Chartered Accountants  
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)

Partner (M. No: 024282)

UDIN: 23024282BGVKAN2381

Place: Kolkata

Dated: 9th May, 2023



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(₹ in Crores)

	Note No.	As at 31st March, 2023	As at 31st March, 2022	
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, Plant and Equipment	6	8,775.72	6,585.91	
Capital Work-In-Progress	6	357.33	2,549.32	
Investment Property	7	1.10	0.40	
Goodwill on Consolidation		0.03	0.03	
Intangible Assets	8	1,065.32	989.70	
Intangible Assets under Development	8	0.31	1.74	
Biological Assets other than Bearer Plants	9	0.71	0.85	
Financial Assets				
Investments	10	410.53	407.31	
Loans	11	0.40	0.46	
Other Financial Assets	12	194.10	229.73	
Non Current tax Asset (Net)		91.57	42.85	
Other Non-Current Assets	13	154.99	177.16	<b>10,985.46</b>
<b>CURRENT ASSETS</b>				
Inventories	14	1,061.60	819.99	
Financial Assets				
Investments	15	456.70	601.63	
Trade Receivables	16	323.34	302.81	
Cash and Cash Equivalents	17	206.51	84.39	
Bank Balances other than Cash and Cash Equivalents	18	11.78	53.59	
Loans	11	1.06	1.03	
Other Financial Assets	12	552.72	573.95	
Other Current Assets	13	405.49	428.61	
Non-Current Assets classified as Held for Sale	19	0.68	1.08	<b>2,867.08</b>
<b>Total Assets</b>		<b>14,071.99</b>	<b>13,852.54</b>	
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share Capital	20	77.01	77.01	
Other Equity	21	5,903.79	5,971.84	<b>6,048.85</b>
Non-Controlling Interest		0.04		<b>0.04</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
Financial Liabilities				
Borrowings	22	3,838.30	3,790.59	
Lease Liabilities		106.51	112.47	
Other Financial Liabilities	23	621.49	585.89	
Provisions	24	77.71	63.66	
Deferred Tax Liabilities (Net)	25	971.21	972.20	
Non Current Tax Liabilities (Net)		0.41	1.29	
Other Non Current Liabilities	26	141.53	141.82	<b>5,667.92</b>
<b>CURRENT LIABILITIES</b>				
Financial Liabilities				
Borrowings	27	511.36	417.45	
Lease Liabilities		6.10	5.43	
Trade Payables	28			
- Total outstanding dues of micro enterprises and small enterprises		19.84	10.01	
- Total outstanding dues of creditors other than micro enterprises and small enterprises		899.88	751.96	
Other Financial Liabilities	23	561.43	587.76	
Other Current Liabilities	26	322.46	349.58	
Provisions	24	12.92	13.54	<b>2,135.73</b>
<b>Total Equity and Liabilities</b>		<b>14,071.99</b>	<b>13,852.54</b>	
Basis of Preparation	2			
Basis of Consolidation	3			
Significant Accounting Policies	4			
Significant Judgements and Key Estimates	5			
The Notes are an integral part of the Consolidated Financial Statements.				

As per our annexed Report of even date  
For **V. SANKAR AIYAR & CO.**  
Chartered Accountants  
Firm Registration No. 109208W

M. S. BALACHANDRAN  
Partner  
Membership No. 024282

Kolkata  
Date: 9th May, 2023

**For and on behalf of the Board of Directors**

ADITYA SARAOGI  
Chief Financial Officer

HARSH V. LODHA  
Chairman  
(DIN : 00394094)

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN : 08526143)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>INCOME</b>			
Revenue from Operations	29	8,682.27	7,461.22
Other Income	30	113.05	98.78
<b>Total Income</b>		<b>8,795.32</b>	<b>7,560.00</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	31	1,197.06	1,048.37
Purchases of Stock-In-Trade	32	18.96	25.97
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	33	(121.95)	(20.82)
Employee Benefits Expense	34	521.31	448.08
Finance Costs	35	338.72	242.66
Depreciation and Amortisation Expense	36	509.88	396.94
Other Expenses	37	6,294.88	4,849.61
<b>Total Expenses</b>		<b>8,758.86</b>	<b>6,990.81</b>
<b>Profit before Exceptional Items and Tax</b>		<b>36.46</b>	<b>569.19</b>
Exceptional Items (Net)	38	(6.65)	31.44
<b>Profit before Tax</b>		<b>43.11</b>	<b>537.75</b>
Tax Expense:	39		
Current Tax		10.03	77.09
Deferred Tax		1.38	62.98
Income Tax for earlier years		(8.80)	(0.91)
		2.61	139.16
<b>Profit for the Year</b>		<b>40.50</b>	<b>398.59</b>
<b>Profit attributable to:</b>			
Owners of the Parent		40.50	398.59
Non-Controlling Interest		0.00	0.00
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to profit or loss	40.1	(31.08)	283.96
Income tax relating to these Items		2.71	(42.33)
		(28.37)	241.63
B. Items that will be reclassified to profit or loss	40.2	(2.83)	(1.16)
Income tax relating to these Items		(0.34)	0.03
		(3.17)	(1.13)
<b>Other Comprehensive Income for the year (Net of Tax)</b>		<b>(31.54)</b>	<b>240.50</b>
<b>Other Comprehensive Income attributable to:</b>			
Owners of the Parent		(31.54)	240.50
Non-Controlling Interest		-	-
<b>Total Comprehensive Income for the Year</b>		<b>8.96</b>	<b>639.09</b>
<b>Total Comprehensive Income attributable to:</b>			
Owners of the Parent		8.96	639.09
Non-controlling Interest		0.00	0.00
Earnings Per Share (Face value of ₹ 10/- each)			
Basic & Diluted (₹)	47	5.26	51.76
Basis of Preparation	2		
Basis of Consolidation	3		
Significant Accounting Policies	4		
Significant Judgements and Key Estimates	5		

The Notes are an integral part of the Consolidated Financial Statements.

 As per our annexed Report of even date  
 For **V. SANKAR AIYAR & CO.**  
 Chartered Accountants  
 Firm Registration No. 109208W

 M. S. BALACHANDRAN  
 Partner  
 Membership No. 024282

 Kolkata  
 Date: 9th May, 2023

**For and on behalf of the Board of Directors**

 ADITYA SARAOGI  
 Chief Financial Officer

 HARSH V. LODHA  
 Chairman  
 (DIN : 00394094)

 MANOJ KUMAR MEHTA  
 Company Secretary  
 & Legal Head

 SANDIP GHOSE  
 Managing Director  
 & Chief Executive Officer  
 (DIN: 08526143)

## CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

a) Equity Share Capital (Refer Note No. 20)		
<b>Balance as at 1st April, 2021</b>		77.01
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1st April, 2021		77.01
Add/ (Less): Changes in Equity Share Capital during the year		-
<b>Balance as at 31st March, 2022</b>		<b>77.01</b>
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1st April, 2022		77.01
Add/ (Less): Changes in Equity Share Capital during the year		-
<b>Balance as at 31st March, 2023</b>		<b>77.01</b>

Particulars	b) Other Equity (Refer Note No. 21)										Total	
	Reserves & Surplus					Items of Other Comprehensive Income				Total Attributable to the Owners of the Company		Attributable to Non Controlling Interest
	Capital Reserve	Capital Reserve on Consolidation	Debt Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income	Revaluation Surplus			
<b>Balance as at 1st April, 2022</b>	1.05	108.99	24.96	2,727.53	1,825.51	(0.57)	(7.20)	346.07	945.50	5,971.84	0.04	5,971.88
<b>Profit for the Year</b>	-	-	-	-	40.50	-	-	-	-	40.50	0.00	40.50
<b>Other Comprehensive Income / (Loss) for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement Gain/(Loss) on Defined Benefit Plans	-	-	-	-	(3.86)	-	-	-	-	(3.86)	-	(3.86)
Revaluation Gain on Free Hold Land	-	-	-	-	-	-	-	-	-	-	-	-
Mark to Market Gain/(Loss)	-	-	-	-	-	(0.12)	(2.71)	3.28	-	0.45	-	0.45
Reversal of Revaluation Gain on reclassification (Refer Note No. 6.2)	-	-	-	-	-	-	-	-	(30.50)	(30.50)	-	(30.50)
Impact of Tax	-	-	-	-	1.02	(0.81)	0.47	(4.73)	6.42	2.37	-	2.37
<b>Total Comprehensive Income for the year</b>	-	-	-	-	37.66	(0.93)	(2.24)	(1.45)	(24.08)	8.96	0.00	8.96
On account of Business Combination (Refer Note No. 59)	-	-	-	-	-	-	-	-	-	-	-	-
Final Dividend Paid (₹ 10.00 per share)	-	-	-	-	(77.01)	-	-	-	-	(77.01)	-	(77.01)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Appropriations / Adjustments</b>	-	-	-	-	(77.01)	-	-	-	-	(77.01)	-	(77.01)
<b>Balance as at 31st March, 2023</b>	1.05	108.99	24.96	2,727.53	1,786.16	(1.50)	(9.44)	344.62	921.42	5,903.79	0.04	5,903.83

**CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income				Total Attributable to the Owners of the Company	Attributable to Non Controlling Interest	Total	
	Capital Reserve	Capital Reserve on Consolidation	Debt Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income				Revaluation Surplus
<b>Balance as at 1st April, 2021</b>	1.05	108.21	52.09	2,700.40	1,497.68	(0.40)	(6.24)	232.31	823.88	5,408.98	0.04	5,409.02
<b>Profit for the Year</b>	-	-	-	-	398.59	-	-	-	-	398.59	0.00	398.59
<b>Other Comprehensive Income / (Loss) for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement Gain/(Loss) on Defined Benefit Plans	-	-	-	-	9.49	-	-	-	-	9.49	-	9.49
Revaluation Gain on Free Hold Land	-	-	-	-	-	-	-	-	155.02	155.02	-	155.02
Mark to Market Gain/(Loss)	-	-	-	-	-	(0.25)	(0.91)	119.45	-	118.29	-	118.29
Impact of Tax	-	-	-	-	(3.24)	0.08	(0.05)	(5.69)	(33.40)	(42.30)	-	(42.30)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	404.84	(0.17)	(0.96)	113.76	121.62	639.09	0.00	639.09
On account of Business Combination (Refer Note No. 59)	-	0.78	-	-	-	-	-	-	-	0.78	-	0.78
Final Dividends Paid (₹ 10.00 per share)	-	-	-	-	(77.01)	-	-	-	-	(77.01)	-	(77.01)
Transfer to General Reserve	-	-	(27.13)	27.13	-	-	-	-	-	-	-	-
<b>Total Appropriations / Adjustments</b>	-	0.78	(27.13)	27.13	(77.01)	-	-	-	-	(76.23)	-	(76.23)
<b>Balance as at 31st March, 2022</b>	1.05	108.99	24.96	2,727.53	1,825.51	(0.57)	(7.20)	346.07	945.50	5,971.84	0.04	5,971.88

The Notes are an integral part of the Consolidated Financial Statements.

As per our annexed Report of even date  
For **V. SANKAR AIYAR & CO.**  
Chartered Accountants  
Firm Registration No. 109208W

M. S. BALACHANDRAN  
Partner  
Membership No. 024282

Kolkata

Date: 9th May, 2023

**For and on behalf of the Board of Directors**

ADITYA SARAOGI  
Chief Financial Officer

HARSHV. LODHA  
Chairman  
(DIN : 00394094)

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN: 08526143)

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Cash Flow from Operating Activities:</b>		
<b>Profit after Exceptional Items &amp; before Tax</b>	43.11	537.75
<b>Adjustments for :</b>		
Depreciation & Amortisation	509.88	396.94
Investing Activities (Net)	(20.41)	(21.85)
Provision for Doubtful Debts	3.98	(2.45)
Bad Debts	–	2.45
(Profit)/Loss on sale/ discard of Property, Plant and Equipment / CWIP (Net)	12.71	(2.76)
(Profit)/Loss on sale of Non Current Assets classified as Held for Sale	–	(0.03)
Fair Valuation for Biological Assets other than Bearer Plants	0.22	(0.01)
Lease Liability De-recognised	–	(0.29)
Amortisation of Deferred Revenue	(2.13)	(1.69)
Excess Liabilities, Unclaimed Balances and Provisions written back (Net)	(52.03)	(46.03)
Effect of Foreign Exchange Fluctuations	(5.93)	(4.34)
Fair Valuation of NCDs and related Derivative Instruments	0.15	–
Finance Costs	338.72	242.66
<b>Operating Profit before Working Capital changes</b>	<b>828.27</b>	<b>1,100.35</b>
<b>Adjustments for :</b>		
(Increase)/ Decrease in Trade Receivables	(21.96)	(22.06)
(Increase)/ Decrease in Inventories	(241.61)	(9.90)
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	26.60	(122.66)
Increase/ (Decrease) in Trade Payables & Other Liability	260.08	141.78
Increase/ (Decrease) in Provisions	4.91	12.66
<b>Cash generated from operations</b>	<b>856.29</b>	<b>1,100.17</b>
Direct Taxes (Paid) / Refund Received (Net)	(50.83)	(61.02)
<b>Net Cash from Operating Activities</b>	<b>805.46</b>	<b>1,039.15</b>
<b>Cash Flow from Investing Activities:</b>		
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(631.01)	(780.60)
Sale of Tangible Assets	4.67	4.36
(Purchase)/ Sale of Liquid Investments (Net)	6.21	(153.25)
Purchase of other Current Investments	(207.40)	(408.81)
Sale of other Current Investments	360.64	435.42
Purchase of Non-Current Investments	–	(1.04)
Sale of Non-Current Investments	–	0.76
(Increase)/ Decrease in Other Bank Balances	94.72	115.88
Interest received	4.61	10.54
Dividend received	2.53	1.65
<b>Net Cash used in Investing Activities</b>	<b>(365.03)</b>	<b>(775.09)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	516.39	603.32
Repayments of Long Term Borrowings	(208.88)	(642.84)
(Repayments)/Proceeds from Short Term Borrowings (Net)	(191.92)	179.46
Payment of Lease Liabilities	(17.56)	(15.34)
Interest paid	(339.33)	(317.85)
Dividend paid	(77.01)	(77.01)
<b>Net Cash used in Financing Activities</b>	<b>(318.31)</b>	<b>(270.26)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>122.12</b>	<b>(6.20)</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>84.39</b>	<b>90.59</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>206.51</b>	<b>84.39</b>
<b>Cash and Cash Equivalents as per balance sheet (Opening Balance)</b>	<b>84.39</b>	<b>90.54</b>
Cash and Cash Equivalents on account of Business Combination	–	0.05
<b>Cash and Cash Equivalents (Opening Balance) after adjustment</b>	<b>84.39</b>	<b>90.59</b>
<b>Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)</b>	<b>206.51</b>	<b>84.39</b>
Overdraft Balance in Current Account shown under Short Term Borrowings	–	–
<b>Cash and Cash Equivalents (Closing Balance) after adjusting Overdraft balance</b>	<b>206.51</b>	<b>84.39</b>

**Note :**

 a) **Reconciliation of Liabilities arising from financing activities**
**For FY 2022-23**

Particulars	Balance as on 1st April, 2022	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/other adjustments	Balance as on 31st March, 2023
Long Term Borrowings (Including current maturity)	3,995.58	516.39	208.88	28.19	(2.16)	4,329.12
Short Term Borrowings (Excluding Overdraft Balance in Current Account)	212.46	675.93	867.85	–	–	20.54

**For FY 2021-22**

Particulars	Balance as on 1st April, 2021	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/other adjustments	Balance as on 31st March, 2022
Long Term Borrowings (Including current maturity)	4,016.00	603.32	642.84	16.47	2.63	3,995.58
Short Term Borrowings (Excluding Overdraft Balance in Current Account)	30.42	734.60	555.14	–	2.58	212.46

- b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- c) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 4.2.
- d) Figures for the previous year have been re-grouped wherever considered necessary.
- e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- f) The Notes are an integral part of Consolidated Financial Statements.

As per our annexed Report of even date  
For **V. SANKAR AIYAR & CO.**  
Chartered Accountants  
Firm Registration No. 109208W

M. S. BALACHANDRAN  
Partner  
Membership No. 024282

Kolkata

Date: 9th May, 2023

**For and on behalf of the Board of Directors**

ADITYA SARAOGI  
Chief Financial Officer

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

HARSH V. LODHA  
Chairman  
(DIN : 00394094)

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN : 08526143)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 1. CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited (the Parent Company) is the flagship Company of the M. P. Birla Group. The Parent Company is a Public Limited Listed Company domiciled and incorporated in India having its Registered Office at Kolkata, West Bengal, India. It was incorporated as per the provisions of Companies Act as Birla Jute Manufacturing Company Limited in the year 1919. The Parent Company and its subsidiaries together referred as "the Group". The Group is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

These consolidated financial statements ("the financial statements") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements of the Group for the year ended 31st March, 2023 have been approved by the Board of Directors in their meeting held on 9th May, 2023.

#### 2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial Assets and Liabilities (including Derivative Instruments) that is measured at fair value/ amortised cost;
- Non-Current Assets classified as Held for Sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined Benefit Plans – plan assets measured at fair value;
- Biological assets – At fair value less cost to sell; and
- Freehold Land falling under Property, Plant & Equipment that is measured at fair valued amount less accumulated depreciation and accumulated impairment, if any.

#### 2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR or ₹), which is also the Group's functional currency. All financial information presented in INR has been rounded off to the nearest Crores, unless otherwise stated. Wherever the amount represented ₹ "0.00" (Zero) construes value less than Rupees fifty thousand.

#### 2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

#### 2.5 Current versus Non-Current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- 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 the other assets are classified as non-current.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

A liability is current when:

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

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

**3. BASIS OF CONSOLIDATION****Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31st March, 2023. The Group consolidates the financial statements of the parent and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/ (loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the Subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

**Associates**

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognized as a reduction in the carrying amount of the investment. Unrealized gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

**Business combinations**

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized capital reserve.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognized in Statement of Profit and Loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities except changes made to harmonise the accounting policies.

### 4. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

#### 4.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### 4.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of the Cash Flow Statement the same is net of outstanding bank overdrafts.

#### 4.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

##### 4.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

##### 4.3.2. Deferred Tax

- Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Group for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Parent Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Parent Company. However, the Parent Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Parent Company would be subjected to lower tax rate.

**4.4 Property, Plant and Equipment****4.4.1. Recognition and Measurement:**

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Group had opted revaluation model, and the same is stated in the Balance Sheet at revalued amount less accumulated depreciation and accumulated impairment losses (if any). (Refer Note No.6.2).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Material items such as spare parts, stand-by equipment and service equipment are classified as property, plant and equipment when they meet the definition of property, plant and equipment.

**4.4.2. Subsequent Expenditure**

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred 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 derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

**4.4.3. Depreciation and Amortization**

- Depreciation is the systematic allocation of the depreciable amount of property, plant and equipment over its useful lives and is provided on straight line basis at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act, though these lives in certain cases are different from the lives prescribed in Schedule II.
- In case the cost of part of property, plant and equipment is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- Such classes of assets and their estimated useful lives are as under:

Class of Assets	Useful Lives
Freehold Land	Freehold land bearing mineral reserves depreciated on the basis of mineral material extraction (pro rata of mineral material extracted to total estimated mining reserve). Freehold non-mining land is not depreciated.
Building including Roads	3 to 60 years
Plant and Machinery (including Components)	2 to 40 years
Furniture & Fixture	10 years
Vehicles	8 to 10 years
Office Equipment	3 to 10 years
Railway Sidings	5 to 25 years
Right of Use Assets – Leasehold Land, Building and Plant & Machinery	Depreciated over the period of respective lease agreement

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

#### 4.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

#### 4.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification. In case of such property was fair valued, the amount of gain / (loss) on account of such fair valuation is adjusted with revaluation reserve.

#### 4.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost less accumulated impairment loss, if any, which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

### 4.5 Leases

#### 4.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### 4.5.2. Group as lessor

➤ Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

➤ Operating Lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs.

### **4.5.3. Group as Lessee**

The Group's lease asset classes primarily comprise of lease for land, building and Plant & Machinery. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

#### **> Right of Use Assets**

The Group recognizes right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment loss, if any, and adjusted for any re-measurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right of use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of Non-Financial Assets'.

#### **> Lease Liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if any.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in other current and non-current financial liabilities.

#### **> Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **4.6 Revenue Recognition**

The Group follows Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provides a control-based revenue recognition model and a five step application approach for revenue recognition as under:

- > Identification of the contract(s) with customers;

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- Identification of the performance obligations;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations;
- Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes amounts collected on behalf of third parties.

### 4.6.1. Sale of Goods

Revenue from the sale of goods is recognized when the Group satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration i.e. discounts, rebates, sales claim etc. offered by the Group as part of the contract.

### 4.6.2. Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Group applies the most likely amount method for contracts with a single volume threshold and the expected value method for contracts with more than one volume threshold that best predicts the amount of variable consideration.

### 4.6.3. Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

### 4.6.4. Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

## 4.7 Employee Benefits

### 4.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

### 4.7.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Re-measurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

### **4.7.3. Post-Employment Benefits**

The Group operates the following post-employment schemes:

#### **> Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Re-measurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

#### **> Defined Contribution Plan**

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Group does not carry any further obligations, apart from the contributions made on monthly basis.

Further in respect of other employees, provident fund contributions are made to various non-government administered trusts. The interest rates payable to the members of the trust cannot not be lower than the statutory rate of interest notified by the government. The Group has an obligation to make good the shortfall in the interest amount, if any. In view of the Group's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

### **4.7.4. Termination Benefit**

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

### **4.8 Government Grants**

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in current/ non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

When loans or similar assistance are provided by governments or related institutions, without interest or with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### **4.9 Foreign Currency Transactions**

- >** Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- >** Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).
- The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which is continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

### 4.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Group considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

### 4.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 4.11.1 Financial Assets

##### ➤ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### ➤ **Classification and Subsequent Measurement:**

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through of Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the financial 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 amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- **Equity Instruments measured at FVTOCI:** All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. 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. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to the Statement of Profit and Loss, even on sale of investment.

### ➤ **Derecognition**

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### ➤ **Impairment of Financial Assets**

The Group assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## 4.11.2 Financial Liabilities

### ➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through Profit or Loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### ➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on de-recognition is also recognized 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 recognized 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 requirement of Ind AS 109 and the amount recognized less cumulative amortization.

### ➤ **De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### ➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### **4.11.3 Derivative financial instruments Hedge Accounting:**

- The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Group does not hold derivative financial instruments for speculative purposes.
- Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).
- The Group designates certain hedging instruments in respect of certain foreign currency risk and interest rate risk as cash flow hedges. The Cash flow hedge are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:
  - hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges); or
  - hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges).
- The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.
- The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.
- The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.
- Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.
- When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

### **4.12 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 such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****4.13 Provisions, Contingent Liabilities and Contingent Assets****4.13.1 Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

➤ **Restoration (including Mine closure), rehabilitation and decommissioning**

It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred and are reviewed at each Balance Sheet date.

➤ **Onerous Contracts:**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

**4.13.2 Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to financial statements. Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

**4.13.3 Contingent Assets**

Contingent assets are not recognized in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

**4.14 Intangible Assets****4.14.1 Recognition and Measurement****4.14.1.1 Mining Rights and Site Preparation Cost**

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment loss, if any. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

**4.14.1.2 Other Intangible Assets**

Software which is not an integral part of related hardware is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 4.14.1.3 Intangible Assets acquired through Business Combination

Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

### 4.14.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

### 4.14.3 Amortization

- Mining Rights including site preparation costs are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- Supplier's Agreements are amortized over the period of five to twenty years.
- Useful life of Trade Mark is taken as indefinite.
- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

### 4.14.4. Disposal of Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

### 4.14.5 Intangible Assets under Development

Intangible Assets under development is stated at cost less accumulated impairment losses (if any). Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

### 4.15 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of de-recognition.
- When the use of a property changes from investment property to owner-occupied (for Group's business purpose), the property is reclassified as Property, Plant & Equipment at its carrying amount on the date of reclassification.

### 4.16 Biological Assets other than Bearer Plants

Biological Assets other than Bearer Plants are recognized when the Group controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A Biological Asset other than Bearer Plants is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

### 4.17 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the Balance Sheet. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

**4.18 Operating Segment**

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Operating segments of the Group comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance.

**4.19 Measurement of Fair Values**

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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:

- In the principal market for the asset or liability, or
- 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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

**4.20 Earning per Shares**

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**4.21 Standard Issued/amended but not yet effective**

Ministry of Corporate Affairs ("MCA"), vide notification dated 31st March 2023, has made the following amendments to the existing standards which are effective from 1st April 2023:

- (a) **Ind AS 1 Presentation of Financial Statements:** The amendments requires the companies to disclose their material accounting policies rather than their significant accounting policies.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- (b) **Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors:** The amendment has introduced a definition of “accounting estimates” to help entities to distinguish changes in accounting policies from changes in accounting estimates.
- (c) **Ind AS 12 Income Taxes:** This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

Based on preliminary assessment, the Group does not expect significant impact of these changes on its consolidated financial statements.

### 5. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group’s future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Leases:** The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Restoration (including Mine closure), rehabilitation and decommissioning:** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, ‘Provisions, Contingent Liabilities and Contingent Assets’. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Revenue Recognition:** The Group’s contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts rebates etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. Estimates of discounts and rebates are sensitive to changes in circumstances and the Group’s past experience regarding returns, discount and rebate entitlements and may not be representative of customers’ actual returns, discount and rebate entitlements in the future.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**6 PROPERTY, PLANT AND EQUIPMENT**

(₹ in Crores)

Particulars	Year Ended 31st March, 2023																
	Gross Carrying Amount									Accumulated Depreciation						Net Carrying Amount	
	As at 1st April, 2022	Additions through Business Combination	Transfer from/(to) Investment Property (Refer Note 7.1)	Additions	Transfer	Disposals	Revaluation (Refer Note No. 6.2)	Other Adjustments (Refer Note No. 6.9)	As at 31st March, 2023	As at 1st April, 2022	Transfer from/(to) Investment Property (Refer Note 7.1)	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2023	As at 31st March, 2023
Freehold Land (Refer Note No. 6.1 to 6.2)	2,192.56	-	(0.70)	117.84	-	-	(30.50)	-	2,279.20	40.79	-	14.24	-	-	-	55.03	2,224.17
<b>Sub-Total</b>	<b>2,192.56</b>	<b>-</b>	<b>(0.70)</b>	<b>117.84</b>	<b>-</b>	<b>-</b>	<b>(30.50)</b>	<b>-</b>	<b>2,279.20</b>	<b>40.79</b>	<b>-</b>	<b>14.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55.03</b>	<b>2,224.17</b>
Buildings (Refer Note No. 6.1)	763.62	-	-	322.71	-	2.65	-	-	1,083.68	152.56	-	41.89	-	0.26	-	194.19	889.49
Plant and Machinery	5,102.63	-	-	2,070.69	-	10.58	-	-	7,162.74	1,681.25	-	373.43	-	8.48	-	2,046.20	5,116.54
Furniture and Fittings	15.44	-	-	6.06	-	0.08	-	-	21.42	7.60	-	1.49	-	0.08	-	9.01	12.41
Vehicles	28.30	-	-	1.11	-	0.17	-	-	29.24	16.33	-	2.60	-	0.07	-	18.86	10.38
Office Equipments	47.64	-	-	12.18	-	0.94	-	-	58.88	30.30	-	6.85	-	0.81	-	36.34	22.54
Railway Sidings	139.78	-	-	160.93	-	-	-	-	300.71	39.90	-	13.39	-	-	-	53.29	247.42
Right of Use Assets (Refer Note No. 46)																	
- Leasehold Land	158.30	-	-	0.11	-	-	-	-	158.41	8.40	-	2.66	-	-	-	11.06	147.35
- Buildings	4.70	-	-	-	-	-	-	-	4.70	2.04	-	0.68	-	-	-	2.72	1.98
- Plant and Machinery	121.09	-	-	-	-	-	-	-	121.09	8.98	-	8.67	-	-	-	17.65	103.44
<b>Total</b>	<b>8,574.06</b>	<b>-</b>	<b>(0.70)</b>	<b>2,691.63</b>	<b>-</b>	<b>14.42</b>	<b>(30.50)</b>	<b>-</b>	<b>11,220.07</b>	<b>1,988.15</b>	<b>-</b>	<b>465.90</b>	<b>-</b>	<b>9.70</b>	<b>-</b>	<b>2,444.35</b>	<b>8,775.72</b>
<b>Capital Work-In-Progress</b>	<b>2,549.32</b>	<b>-</b>	<b>-</b>	<b>525.79</b>	<b>2,691.63</b>	<b>0.09</b>	<b>-</b>	<b>(26.06)</b>	<b>357.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>357.33</b>

Particulars	Year Ended 31st March, 2022																
	Gross Carrying Amount									Accumulated Depreciation						Net Carrying Amount	
	As at 1st April, 2021	Additions through Business Combination	Transfer from/(to) Investment Property (Refer Note 7.1)	Additions	Transfer	Disposals	Revaluation (Refer Note 6.2)	Other Adjustments	As at 31st March, 2022	As at 1st April, 2021	Transfer from/(to) Investment Property (Refer Note 7.1)	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2022	As at 31st March, 2022
Freehold Land (Refer Note No. 6.1 to 6.2)	2,023.85	0.36	(0.27)	13.60	-	-	155.02	-	2,192.56	33.27	-	7.52	-	-	-	40.79	2,151.77
<b>Sub-Total</b>	<b>2,023.85</b>	<b>0.36</b>	<b>(0.27)</b>	<b>13.60</b>	<b>-</b>	<b>-</b>	<b>155.02</b>	<b>-</b>	<b>2,192.56</b>	<b>33.27</b>	<b>-</b>	<b>7.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40.79</b>	<b>2,151.77</b>
Buildings (Refer Note No. 6.1)	695.02	-	-	68.61	-	0.01	-	-	763.62	124.94	-	27.63	-	0.01	-	152.56	611.06
Plant and Machinery	4,819.67	1.91	-	287.96	-	6.91	-	-	5,102.63	1,394.36	-	290.17	-	3.28	-	1,681.25	3,421.38
Furniture and Fittings	13.69	-	-	1.77	-	0.02	-	-	15.44	6.44	-	1.17	-	0.01	-	7.60	7.84
Vehicles	27.04	-	-	1.82	-	0.56	-	-	28.30	14.00	-	2.77	-	0.44	-	16.33	11.97
Office Equipments	41.94	-	-	6.52	-	0.82	-	-	47.64	25.63	-	5.43	-	0.76	-	30.30	17.34
Railway Sidings	129.23	-	-	10.70	-	0.15	-	-	139.78	30.90	-	9.06	-	0.06	-	39.90	99.88
Right of Use Assets (Refer Note No. 46)																	
- Leasehold Land	158.30	-	-	-	-	-	-	-	158.30	5.74	-	2.66	-	-	-	8.40	149.90
- Buildings	4.70	-	-	-	-	-	-	-	4.70	1.36	-	0.68	-	-	-	2.04	2.66
- Plant and Machinery	96.52	-	-	24.57	-	-	-	-	121.09	0.76	-	8.22	-	-	-	8.98	112.11
<b>Total</b>	<b>8,009.96</b>	<b>2.27</b>	<b>(0.27)</b>	<b>415.55</b>	<b>-</b>	<b>8.47</b>	<b>155.02</b>	<b>-</b>	<b>8,574.06</b>	<b>1,637.40</b>	<b>-</b>	<b>355.31</b>	<b>-</b>	<b>4.56</b>	<b>-</b>	<b>1,988.15</b>	<b>6,585.91</b>
<b>Capital Work-In-Progress</b>	<b>2,103.42</b>	<b>-</b>	<b>-</b>	<b>605.86</b>	<b>243.53</b>	<b>-</b>	<b>-</b>	<b>83.57</b>	<b>2,549.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,549.32</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### Notes:

- 6.1** Gross carrying amount of Freehold Land includes ₹ 2.86 Crores (Previous Year ₹ 2.86 Crores) and gross carrying amount of Building includes ₹ 7.00 Crores (Previous Year ₹ 7.00 Crores) under Co-ownership basis and also ₹ 0.00 Crore (Previous Year ₹ 0.00 Crore) being value of investments in Shares of a Private Limited Company.
- 6.2** The Group has adopted revaluation model for one class of Property, Plant and Equipment i.e. Freehold Land and have revalued as on 1st April, 2017 and 1st April, 2021 on the basis of valuation reports made by independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Carrying amount of Freehold Land as on 1st April, 2022 include revaluation surplus of ₹ 1,054.92 Crores and ₹ 155.02 Crores on account of revaluation made on 1st April, 2017 and 1st April, 2021 respectively. In the opinion of the management, as there is no significant change in the fair value indicators, no fair valuation is done as on 31st March 2023. During the year, The Group has transferred certain portion of freehold land from Property, Plant and Equipment to Investment Property at cost resulting in reversal of earlier years revaluation gain amounting to ₹ 30.50 Crores. This reversal has been recognized and presented under "Other Comprehensive Income".

The fair valuation was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. This valuation was based on valuations performed by accredited independent registered valuer. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in level 2/ level 3 fair value hierarchy.

### 6.3 Capital Work In Progress ageing schedule:

Particulars	As at 31st March, 2023				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	149.82	60.12	15.67	130.21	355.82
Projects temporarily suspended	-	-	-	1.51	1.51
<b>Total</b>	<b>149.82</b>	<b>60.12</b>	<b>15.67</b>	<b>131.72</b>	<b>357.33</b>

Particulars	As at 31st March, 2022				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	819.13	606.21	669.12	448.13	2,542.59
Projects temporarily suspended	-	-	-	6.73	6.73
<b>Total</b>	<b>819.13</b>	<b>606.21</b>	<b>669.12</b>	<b>454.86</b>	<b>2,549.32</b>

### 6.4 Capital Work In Progress completion schedule:

Details of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, are as follows:

#### As at 31st March, 2023

Particulars	To be completed in					Reasons
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
Projects in progress	-	-	-	-	-	-
<b>Projects temporarily suspended</b>						
Grinding Units in Madhya Pradesh	-	-	1.51	-	1.51	Reassessment of Technical usage feasibility is being done
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.51</b>	<b>-</b>	<b>1.51</b>	

#### As at 31st March, 2022

Particulars	To be completed in					Reasons
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
<b>Projects in progress</b>						
Mukutban Integrated Unit	2,151.81	-	-	-	2,151.81	Delay due to COVID 19 pandemic
<b>Projects temporarily suspended</b>						
Maihar Integrated Unit-SILO Project	-	-	5.22	-	5.22	Reassessment of Technical usage feasibility is being done
Grinding Units in Madhya Pradesh	-	-	1.51	-	1.51	
<b>Total</b>	<b>2,151.81</b>	<b>-</b>	<b>6.73</b>	<b>-</b>	<b>2,158.54</b>	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**6.5** The amount of expenditures recognized in the carrying amount of an item of Property, Plant and Equipment in the course of its construction:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Assets under construction	222.93	1,872.06
Expenditure incurred on Project Development Pending Capitalisation / allocation (Refer Note No. 6.5.1)	9.24	414.62
Fair value of Mining Rights under Development	125.16	262.64
<b>Total</b>	<b>357.33</b>	<b>2,549.32</b>

6.5.1 Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Pre-operative expenses pending allocation:</b>		
Opening Balance	414.62	299.22
Salaries, wages and bonus (Refer Note No. 34)	3.07	24.42
Finance costs (Refer Note No. 35)	18.85	83.57
Depreciation	–	0.44
Licences, Cleareances, Taxes, etc.	–	2.31
Trial Run Expenses	34.83	–
Other Expenses	0.92	8.62
<b>Total Pre-operative expenses</b>	<b>472.29</b>	<b>418.58</b>
Less: Capitalised/ charged during the year	418.14	3.96
Less: Trial Run stock generated due to commencement of new cement plant	44.91	–
<b>Balances included in Capital Work in Progress</b>	<b>9.24</b>	<b>414.62</b>

**6.5.2** Section 10A(2)(b) of the Mines and Minerals (Development and Regulation) Act, 1957 was amended with effect from 28th March, 2021 which states that the right to obtain a prospecting licence followed by a mining lease or a mining lease, as the case may be, shall lapse on the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021. The Group is carrying amounting to ₹ 102.73 Crores on account of fair valuation relating to mines located in the state of Himachal Pradesh. The Group has filed a petition before the Hon'ble High Court of Himanchal Pradesh challenging the above amendment. Since the grant order / letter of intent already has been granted by the State, matter is sub judice. On the basis of internal assessment and supported by the legal advice, the Group is hopeful of favourable order and hence no provision for impairment is considered necessary at this stage.

**6.6** Title deed for freehold land amounting to ₹ 11.89 Crores (Previous year ₹ 11.89 Crores), although in the name of Group, is in dispute and is pending resolution before the Court of Civil Judge, Rajgurunagar (Khed) and Additional Division Commissioner, Pune.

**6.7** No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**6.8** The Group has capitalised during the year with the Property, Plant and Equipment amounts to ₹ 3.31 Crores (Previous Year capitalised ₹ 2.09 Crores) on account of foreign exchange differences pursuant to using the optional exemption available under Para D13AA of Ind AS 101 "First Time Adoption" for continuing with the policy adopted for accounting for exchange difference on the Long Term Foreign Exchange Monetary Items recognized under previous GAAP as described in note no. 30.1 to the consolidated financial statement.

**6.9** Other Adjustments includes:

- Finance costs capitalised by the Group during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 18.85 Crores (Previous Year ₹ 83.57 Crores), (Refer Note No. 35).

- Trial Run stock of ₹ 44.91 Crores generated due to commencement of Greenfield Integrated Cement Plant by RCCPL Private Limited, wholly owned subsidiary of the Company at Mukutban (Maharashtra).

**6.10** Right of Use Assets includes:



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

(a) "Leasehold Land" represents land obtained on long term lease from various Government and other authorities.

(b) "Plant & Machinery" represents:

- Machinery recognized as per long term power purchase agreement in accordance with the principles of IND AS 116 "Leases". (Refer Note No. 63)

- Railway Wagons recognized as per long term wagon leasing agreement in accordance with the principles of IND AS 116 "Leases".

6.11 Refer Note No. 43 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

6.12 Refer Note No. 44 for information on Property, Plant and Equipment pledged as securities by the Group.

### 7 INVESTMENT PROPERTY

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Amount	0.42	0.15
Additions	–	–
Transferred from/(to) Property Plant & Equipment (Refer Note No. 7.1)	0.70	0.27
Disposals	–	–
Other Adjustments	–	–
<b>Closing Gross Carrying Amount</b>	<b>1.12</b>	<b>0.42</b>
<b>Accumulated Depreciation</b>		
Opening Accumulated Depreciation	0.02	0.02
Depreciation charged during the year	0.00	0.00
<b>Closing Accumulated Depreciation</b>	<b>0.02</b>	<b>0.02</b>
<b>Net Carrying Amount</b>	<b>1.10</b>	<b>0.40</b>

7.1 During the year, freehold land of ₹ 0.70 Crore (Previous year ₹ 0.27 Crore) have been transferred to Investment Property from Property, Plant and Equipment as the same have been considered by the management as not for further use for business purposes and held for capital appreciation.

7.2 Fair value of the Group's Investment Properties as at 31st March, 2023 and 31st March, 2022 are ₹ 59.30 Crores and ₹ 27.46 Crores respectively. The fair value has been arrived on the basis of valuation performed by independent registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, who are specialist in valuing these types of Investment Properties, having appropriate qualifications and recent experience in the valuation of properties in relevant locations.

7.3 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by accredited independent registered valuers. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

7.4 The amounts recognized in the Statement of Profit and Loss in relation to the investment properties:

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Rental Income	0.06	0.39
Direct Operating Expenses in relation to		
- Properties generating rental income	–	0.43
- Properties not generating rental income	0.33	–

7.5 The Group has no restriction on the realisability of its Investment Properties or the remittance of income and proceeds of disposal. There is no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**8 INTANGIBLE ASSETS**

(₹ in Crores)

Particulars	Year Ended 31st March, 2023										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2022	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March, 2023	As at 1st April, 2022	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2023	As at 31st March, 2023
Computer Software	13.48	2.48	0.53	-	15.43	10.94	2.19	0.53	-	12.60	2.83
Supplier Agreement-Flyash	19.61	-	-	-	19.61	9.72	0.99	-	-	10.71	8.90
Trademark	198.27	-	-	-	198.27	-	-	-	-	-	198.27
Mining Rights (includes site preparation)	948.21	117.12	-	-	1,065.33	169.21	40.80	-	-	210.01	855.32
<b>Total</b>	<b>1,179.57</b>	<b>119.60</b>	<b>0.53</b>	<b>-</b>	<b>1,298.64</b>	<b>189.87</b>	<b>43.98</b>	<b>0.53</b>	<b>-</b>	<b>233.32</b>	<b>1,065.32</b>
<b>Intangible Assets under Development</b>	<b>1.74</b>	<b>118.17</b>	<b>119.60</b>	<b>-</b>	<b>0.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.31</b>

Particulars	Year Ended 31st March, 2022										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2021	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March, 2022	As at 1st April, 2021	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2022	As at 31st March, 2022
Computer Software	12.57	0.91	-	-	13.48	9.04	1.90	-	-	10.94	2.54
Supplier Agreement-Flyash	19.61	-	-	-	19.61	8.73	0.99	-	-	9.72	9.89
Trademark	198.27	-	-	-	198.27	-	-	-	-	-	198.27
Mining Rights (includes site preparation)	867.40	80.81	-	-	948.21	130.03	39.18	-	-	169.21	779.00
<b>Total</b>	<b>1,097.85</b>	<b>81.72</b>	<b>-</b>	<b>-</b>	<b>1,179.57</b>	<b>147.80</b>	<b>42.07</b>	<b>-</b>	<b>-</b>	<b>189.87</b>	<b>989.70</b>
<b>Intangible Assets under Development</b>	<b>1.37</b>	<b>82.09</b>	<b>81.72</b>	<b>-</b>	<b>1.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.74</b>

**Notes:**
**8.1 Intangible Assets under Development ageing schedule:**

Particulars	As at 31st March, 2023				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.31	-	-	-	0.31
Projects temporarily Suspended	-	-	-	-	-
<b>Total</b>	<b>0.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.31</b>

Particulars	As at 31st March, 2022				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.50	0.08	-	1.16	1.74
Projects temporarily Suspended	-	-	-	-	-
<b>Total</b>	<b>0.50</b>	<b>0.08</b>	<b>-</b>	<b>1.16</b>	<b>1.74</b>

**8.2** There is no intangible assets under development as on 31st March 2023 and 31st March 2022, whose completion is overdue or has exceeded its cost compared to its original plan.

**8.3** The Group has not revalued its intangible assets.

**8.4** Refer Note No. 43 for disclosure of contractual commitments for the acquisition of Intangible Assets.

**8.5** Refer Note No. 44 for information on Intangible Assets pledged as securities by the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 9. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening Balance	0.85	0.84
Additions/ Acquisitions	0.08	–
Disposals	–	0.00
Fair Value Adjustments	(0.22)	0.01
<b>Closing Balance</b>	<b>0.71</b>	<b>0.85</b>

9.1 The Group owns Bearer Biological Assets i.e., livestock from which milk is produced. The livestock is maintained by the Parent Company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

### 10. NON-CURRENT INVESTMENTS

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>A DEBT INSTRUMENTS AT AMORTISED COST</b>						
<b>Unquoted</b>						
National Savings Certificate	10.1	10,000	1	0.00	1	0.00
<b>Subtotal</b>				<b>0.00</b>		<b>0.00</b>
<b>TOTAL (A)</b>				<b>0.00</b>		<b>0.00</b>
<b>B INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>						
<b>EQUITY INSTRUMENTS (FULLY PAID UP)</b>						
<b>QUOTED</b>						
Century Textiles & Industries Limited		10	18,07,660	114.61	18,07,660	154.47
Birla Cables Limited		10	53,88,515	67.14	53,88,515	84.44
Universal Cables Limited		10	8,00,157	28.69	8,00,157	11.06
Hindustan Media Ventures Limited		10	4,440	0.02	4,440	0.03
The Rameshwara Jute Mills Limited	10.2	10	19,133	5.60	19,133	0.01
Vindhya Telelinks Limited		10	100	0.01	100	0.01
Birla Precision Technologies Limited		2	2,121	0.01	2,121	0.01
Zenith Steel Pipes and Industries Limited		10	6,362	0.00	6,362	0.00
UltraTech Cement Limited		10	2,25,957	172.23	2,25,957	149.18
<b>Subtotal</b>				<b>388.31</b>		<b>399.21</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>UNQUOTED</b>						
Birla Buildings Limited	10.2	10	24,000	1.05	24,000	0.02
Neosym Industry Limited	10.2	10	52,000	13.16	52,000	0.01
Lotus Court Limited	10.3	10	1	0.01	1	0.01
Industry House Limited	10.3	10	600	0.01	600	0.01
The Eastern Economist Limited	10.3	10	400	0.01	400	0.01
Woodlands Multispeciality Hospital Limited	10.3	10	520	0.00	520	0.00
Twin Star Venus Co-Operative Society Housing Society Limited	10.3	10	10	0.00	10	0.00
Elgin Mills Company Limited	10.3 & 10.4	10	2,250	0.00	2,250	0.00
Bally Jute Mills Employees Consumers' Co-operative Stores Limited	10.3	10	250	0.00	250	0.00
Gangagiri Park Co-Operative Society Housing Society Limited	10.3	10	15	0.00	15	0.00
Craig Jute Mills Limited	10.3	3	50	0.00	50	0.00
<b>Subtotal</b>				<b>14.24</b>		<b>0.06</b>
<b>Investment in Quoted Government Securities</b>						
8.97% GOI 2030	10.5	100	1,00,000	1.13	1,00,000	1.17
<b>Subtotal</b>				<b>1.13</b>		<b>1.17</b>
<b>Investments In Quoted Bonds</b>						
9.70% IFCI Limited 2030		10,00,000	63	6.32	63	6.33
9.55% IFCI Limited 2025		10,00,000	5	0.53	5	0.54
<b>Subtotal</b>				<b>6.85</b>		<b>6.87</b>
<b>TOTAL (B)</b>				<b>410.53</b>		<b>407.31</b>
<b>C INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS</b>						
Investment In Preference Shares - Unquoted (Fully paid up)						
Elgin Mills Company Limited. - 5% Preference Shares	10.3 & 10.4	10	100	0.00	100	0.00
<b>Subtotal</b>				<b>0.00</b>		<b>0.00</b>
<b>TOTAL (C)</b>				<b>0.00</b>		<b>0.00</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>				<b>410.53</b>		<b>407.31</b>
<b>Aggregate Book Value of Quoted Investments</b>				<b>396.29</b>		<b>407.25</b>
<b>Aggregate Fair Value of Quoted Investments</b>				<b>396.29</b>		<b>407.25</b>
<b>Aggregate amount of Unquoted Investments</b>				<b>14.24</b>		<b>0.06</b>
<b>Aggregate amount of Impairment in Value of Investments</b>				<b>-</b>		<b>-</b>

**Notes:**

- 10.1** Deposited with Government Department as Security.
- 10.2** Fair valuation carried out on the basis of net worth of investee companies computed on the basis of previous year signed financials of respective companies.
- 10.3** Fair valuation not carried out as the investment amounts and fair value of investment (as per net worth of the investee companies), are not significant.
- 10.4** The investee company is under liquidation.
- 10.5** Lien marked in favour of Clearing Corporation of India Limited.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 11 LOANS

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Loans &amp; Advances to Related Parties</b>	11.1, 11.2 & 11.3				
Loan Receivables		–	–	0.07	0.07
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		–	–	–	–
<b>Loans and Advances to Others</b>	11.1, 11.2 & 11.3				
Loan Receivables		0.40	0.46	1.06	1.03
Less: Provision for Doubtful Receivables		–	–	0.00	0.00
		0.40	0.46	1.06	1.03
<b>Total</b>		<b>0.40</b>	<b>0.46</b>	<b>1.06</b>	<b>1.03</b>
<b>11.1 Break Up of Loans</b>					
Loan Receivables considered good – Secured		–	–	–	–
Loan Receivables considered good – Unsecured		0.40	0.46	1.06	1.03
Loan Receivables which have significant increase in Credit Risk		–	–	0.07	0.07
Loan Receivables – Credit Impaired		–	–	–	–
		0.40	0.46	1.13	1.10
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		<b>0.40</b>	<b>0.46</b>	<b>1.06</b>	<b>1.03</b>

**11.2** No Loans are due from directors or other officers of the Group either severally or jointly with any other person. No Loan due from firms or private companies respectively in which any director of Group is a partner, a director or a member except as disclosed in Note No. 11.3 given below.

**11.3** Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

Particulars	Refer Note No.	Balance Outstanding		Maximum amount Outstanding	
		As at		For the year ended	
		31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
i <b>Subsidiary Company (not consolidated)</b>					
Birla Corporation Cement Manufacturing PLC	(ii) (a) & (b)	–	–	0.07	0.07
ii <b>Purpose for which the advance was provided</b>					
a. Advance given for implementation of Projects					
b. Net of Provision for Doubtful Receivables					
iii <b>For Guarantee refer Note No. 41.5 and for Investments Refer Note No. 10, 15 &amp; 63.</b>					

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**12 OTHER FINANCIAL ASSETS**

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Security Deposits</b>					
Unsecured, considered good	63	59.71	46.73	0.90	8.61
		59.71	46.73	0.90	8.61
Incentive and Subsidy Receivable	55.1.2	143.22	199.64	509.38	473.03
Less : Provision for Expected Credit Loss	55.1.2	33.61	33.61	0.45	0.45
		109.61	166.03	508.93	472.58
Other Deposits, Advances and Claims Recoverable					
Unsecured, considered good	12.1	–	1.64	13.51	17.55
Unsecured, considered doubtful		1.50	–	3.10	2.01
		1.50	1.64	16.61	19.56
Less: Provision for Doubtful Advances		1.50	–	3.10	2.01
		–	1.64	13.51	17.55
Deposits with Bank having maturity of more than one year from the balance sheet date	12.2	13.94	12.91	–	–
Fixed Deposit with Others		–	–	16.00	70.00
Interest accrued on Deposits		0.09	0.05	1.12	2.33
Derivative Contracts (Net)		8.37	–	12.23	1.18
Amount paid under Protest		2.38	2.37	–	–
Others		–	–	0.03	1.70
		24.78	15.33	29.38	75.21
<b>Total</b>		<b>194.10</b>	<b>229.73</b>	<b>552.72</b>	<b>573.95</b>

**12.1** No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member.

**12.2** Represents deposits marked lien in favour of Govt. Authorities and Banks.

**13 OTHER ASSETS**

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Advance against supply of Goods and Services		–	–	196.76	197.04
Less : Provision for Doubtful Advances		–	–	–	0.04
		–	–	196.76	197.00
Capital Advances		68.23	99.59	–	–
Prepaid Expenses		4.13	3.75	13.14	11.37
Amount Paid Under Protest		63.08	62.95	–	–
Balances with Government & Statutory Authorities		16.27	0.60	189.58	209.86
<b>Security Deposits</b>					
Unsecured considered good		1.78	1.85	–	0.44
Other Advances / Receivables (Including Balance with Gratuity Fund)	13.2	1.50	8.42	6.01	9.94
<b>Total</b>		<b>154.99</b>	<b>177.16</b>	<b>405.49</b>	<b>428.61</b>

**13.1** No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor other receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member except ₹ 0.05 Crore (Previous Year ₹ 4.96 Crores) are receivable from private companies in which directors of the Group are directors.

**13.2** Other Advances / Receivable (Non-Current) includes ₹ Nil (Previous Year ₹ 6.95 Crores), represents the realizable value of expenditures incurred on shelved future projects. The same has been written off during the current year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 14 INVENTORIES

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
(As valued and certified by the Management)	4.1		
Raw Materials	14.1	127.97	98.13
Work-In-Progress	14.1	237.41	142.95
Finished Goods	14.1	182.02	109.33
Stock-In-Trade		0.75	1.04
Stores and Spares	14.1	273.48	245.80
Fuels	14.1	233.98	208.54
Packing Materials		22.82	24.31
		<b>1,078.43</b>	<b>830.10</b>
Less: Provision on Non-Moving Stores and Spares		16.83	10.11
<b>Total</b>		<b>1,061.60</b>	<b>819.99</b>
<b>14.1</b> The above includes goods-in-transit as under:			
Raw Materials		2.99	5.62
Work-In-Progress		15.08	3.88
Finished Goods		11.92	2.20
Stores and Spares		1.58	0.03
Fuels		5.78	0.51
<b>Total</b>		<b>37.35</b>	<b>12.24</b>

**14.2** Refer Note No. 44 for information on amount of inventories pledged as securities by the Group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**15. CURRENT INVESTMENTS**

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
<b>A INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
<b>Investments in Mutual Funds</b>						
<b>UNQUOTED</b>						
Axis Liquid Fund - Direct Growth			48,048	12.02	84,757	20.03
Axis Overnight Fund Direct Growth			42,310	5.02	-	-
Axis Money Market Fund Direct Growth			-	-	1,04,509	12.04
Axis Treasury Advantage Fund- Direct Growth			11,102	3.03	-	-
Bandhan Money Manager Fund Growth- Direct Plan	15.1		13,59,193	5.01	25,85,925	9.03
Bandhan Banking & PSU Debt Fund- Direct Plan- Growth	15.1		-	-	19,95,380	4.07
Bandhan Liquid Fund- Growth- Direct Plan (Formerly IDFC cash Fund-Growth-Direct Plan)	15.1		66,330	18.03	77,900	20.03
Bandhan Ultra Short Term Fund - Direct Plan - Growth	15.1		3,04,90,059	39.89	5,42,33,467	67.31
Baroda BNP Paribas Liquid Fund - Direct Growth			54,006	14.01	20,388	5.00
Baroda BNP Paribas Overnight Fund - Direct Plan Growth Growth			-	-	44,810	5.00
Baorda BNP Paribas Money Market Fund - Direct Plan - Growth			8,508	1.01	-	-
DSP Savings Fund- Direct Plan- Growth			-	-	11,44,351	5.01
DSP Liquidity Fund- Direct Plan- Growth			9,338	3.00	16,434	5.00
HSBC Ultra Short Duration Fund- Direct Growth	15.1		60,717	7.07	1,15,26,884	41.95
HSBC Liquid Fund- Direct Growth (Formerly known as HSBC Cash Fund- Growth Direct Plan)	15.1		78,601	17.62	68,633	20.00
HSBC Money Market Fund- Direct Growth	15.1		-	-	27,10,589	6.03
HDFC Money Market Fund- Direct Plan- Growth Option			14,338	7.05	10,791	5.02
HDFC Liquid Fund- Direct Plan- Growth Option			40,750	18.03	11,951	5.00
HDFC Ultra Short Term Fund -Direct Growth			-	-	1,29,05,281	16.02
ICICI Prudential Ultra Short Term Fund- Direct Plan- Growth			-	-	8,40,132	2.01
ICICI Prudential Liquid Fund - Direct Plan -Growth			9,62,686	32.08	5,07,697	16.01
ICICI Prudential Savings Fund- Direct Plan- Growth			1,31,046	6.06	-	-
Invesco India Money Market Fund- Direct Plan Growth			-	-	67,240	17.09
Invesco India Ultra Short term Fund -Direct Plan Growth			-	-	21,766	5.02
Invesco India Liquid Fund- Direct Plan Growth			86,081	26.60	66,493	19.44
Invesco India Treasury Advantage Fund- Direct Plan Growth			21,800	7.27	-	-
Kotak Liquid Fund Direct Plan Growth			30,891	14.05	11,622	5.00
Kotak Money Market Fund -Direct Plan- Growth			9,215	3.53	69,410	25.13
Kotak Savings Fund - Direct Plan - Growth			30,69,151	11.68	30,69,151	11.06
Kotak Overnight Fund Direct- Growth			-	-	88,227	10.00
LIC MF Savings Fund -Direct Plan- Growth			13,92,091	5.04	14,57,623	5.02
LIC MF Liquid Fund- Direct Plan- Growth			24,522	10.03	12,933	5.00
Mahindra Manulife Liquid Fund- Direct- Growth			20,493	3.00	36,129	5.00
Mirae Asset Overnight Fund Direct Plan- Growth			-	-	91,818	10.00
Mirae Asset Cash Management Fund- Direct Plan Growth			42,230	10.04	22,256	5.00
Nippon India Liquid Fund - Direct Plan Growth Plan -Growth Option			47,351	26.08	79,426	41.37
Nippon India Overnight Fund -Direct Growth Plan			4,18,086	5.03	-	-
Nippon India Money Market Fund -Direct Growth Plan Growth Option			14,897	5.28	75,908	25.43



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

Particulars	Refer Note No.	Face Value in (₹)	As at 31st March, 2023		As at 31st March, 2022	
			Qty.	Amount	Qty.	Amount
Nippon India Low Duration Fund- Retail Option Growth Plan			-	-	476	0.14
Nippon India Low Duration Fund- Direct Growth Plan Growth Option			905	0.30	-	-
PGIM India Liquid Fund- Direct Plan- Growth			2,38,904	7.01	1,80,266	5.00
PGIM India Ultra Short Duration Fund- Direct Plan- Growth			-	-	28,05,184	8.04
Sundaram Liquid Fund -Direct Plan Growth			60,444	12.02	63,879	12.00
Sundaram Ultra Short Duration Fund- Direct Growth			8,135	2.02	-	-
Sundaram Overnight Fund- Direct Growth			8,395	1.00	-	-
SBI Liquid Fund Direct Growth			34,124	12.02	45,063	15.02
SBI Magnum Low Duration Fund Direct - Growth			9,891	3.03	-	-
SBI Magnum Ultra Short Duration Fund Direct Growth			-	-	41,045	20.10
SBI Floating Rate DEBT Fund Direct Plan Growth			-	-	94,28,776	10.04
Tata Money Market Fund Direct Plan -Growth			13,206	5.35	68,360	26.15
Tata Liquid Fund Direct Plan- Growth			9,586	3.40	62,563	21.03
Tata Overnight Fund Direct Plan- Growth			-	-	4	0.00
UTI Liquid Cash Plan- Direct Plan- Growth			10,860	4.01	14,338	5.00
<b>Sub-Total</b>				<b>366.72</b>		<b>576.64</b>
<b>QUOTED</b>						
Nippon India Quaretrly Interval Fund -Series II -Direct Growth Plan Growth Option			6,45,058	2.02	-	-
Nippon India Quaretrly Interval Fund -Series III -Direct Growth Plan Growth Option			10,94,546	2.01	-	-
Kotak FMP Series 307 -Direct Plan- Growth			29,99,850	3.02	-	-
<b>Sub-Total</b>				<b>7.05</b>		<b>-</b>
<b>TOTAL (A)</b>				<b>373.77</b>		<b>576.64</b>
<b>INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>						
<b>Investment in Quoted Non - Convertible Debentures &amp; Bonds</b>						
5.70% Cholamandalam Investment & Finance Co. Ltd 2023		10,00,000	300	31.43	-	-
5.2459% Kotak Mahindra Prime Limited 2023		10,00,000	250	25.99	-	-
5.04% Indian Railway Finance Corporation Limited 2023		10,00,000	250	25.51	-	-
2% Tata Steel Limited 2022		10,00,000	-	-	134	24.99
<b>Total (B)</b>				<b>82.93</b>		<b>24.99</b>
<b>TOTAL CURRENT INVESTMENTS</b>				<b>456.70</b>		<b>601.63</b>
<b>Aggregate Book value of Quoted Investments</b>				<b>89.98</b>		<b>24.99</b>
<b>Aggregate Fair Value of Quoted Investments</b>				<b>89.98</b>		<b>24.99</b>
<b>Aggregate amount of Unquoted Investments</b>				<b>366.72</b>		<b>576.64</b>
<b>Aggregate amount of impairment in value of investments</b>				<b>-</b>		<b>-</b>

### Notes:

**15.1** L&T Mutual Fund and IDFC Mutual Fund were takenover by HSBC Mutual Fund and Bandhan Mutual Fund respectively and all the schemes were renamed accordingly.

**15.2** The Group has not traded or invested in crypto currency or virtual currency during the year ended 31st March, 2023 and 31st March, 2022.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**16 TRADE RECEIVABLES**

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	16.1 & 16.2	336.64	314.67
Less: Provision for Doubtful Receivables		13.30	11.86
<b>Total</b>		<b>323.34</b>	<b>302.81</b>
<b>Break Up of Trade Receivables</b>			
Trade Receivables considered good – Secured		120.92	128.46
Trade Receivables considered good – Unsecured		202.42	174.35
Trade Receivables which have significant increase in Credit Risk		13.30	11.86
Trade Receivables – Credit Impaired		–	–
<b>Total</b>		<b>336.64</b>	<b>314.67</b>
Less: Provision for Doubtful Receivables		13.30	11.86
<b>Total</b>		<b>323.34</b>	<b>302.81</b>

**16.1** Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. Refer Note No. 44 for information on amount of trade receivables pledged as security by the Group.

**16.2** No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. No any trade receivables are due from firms or private companies respectively in which any director of the Group is a partner, a director or a member.

**16.3 Trade Receivables ageing schedule**
**As at 31st March, 2023**

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1–2 Years	2–3 Years	More than 3 Years	
(i) Undisputed Trade Receivables – considered good	164.03	140.19	10.13	4.29	1.85	2.64	<b>323.13</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	0.07	3.83	<b>3.90</b>
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – considered good	–	–	–	–	–	0.21	<b>0.21</b>
(v) Disputed Trade Receivables – which have significant increase in credit risk	–	–	0.02	–	0.10	9.28	<b>9.40</b>
(vi) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
<b>Total Trade Receivables</b>	<b>164.03</b>	<b>140.19</b>	<b>10.15</b>	<b>4.29</b>	<b>2.02</b>	<b>15.96</b>	<b>336.64</b>
Less: Provision for Doubtful Receivables							<b>13.30</b>
<b>Net Trade Receivables</b>							<b>323.34</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### As at 31st March, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1–2 Years	2–3 Years	More than 3 Years	
(i) Undisputed Trade Receivables – considered good	113.04	168.25	10.82	6.31	1.69	2.70	<b>302.81</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	0.16	2.90	<b>3.06</b>
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	0.13	8.67	<b>8.80</b>
(vi) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
<b>Total Trade Receivables</b>	<b>113.04</b>	<b>168.25</b>	<b>10.82</b>	<b>6.31</b>	<b>1.98</b>	<b>14.27</b>	<b>314.67</b>
Less: Provision for Doubtful Receivables							<b>11.86</b>
<b>Net Trade Receivables</b>							<b>302.81</b>

16.4 There are no unbilled trade receivables as on 31st March, 2023 and 31st March, 2022.

### 17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Balances With Banks :			
In Current/ Cash Credit Accounts		66.20	43.17
In Deposit Accounts with Original Maturity of less than three months		140.04	40.02
Cheques/ Drafts on Hand		–	1.03
Cash on Hand		0.27	0.17
<b>Total</b>		<b>206.51</b>	<b>84.39</b>

### 18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Balance in Unpaid Dividend Accounts		1.35	1.41
Other Fixed Deposit with Banks	18.1	10.43	52.18
<b>Total</b>		<b>11.78</b>	<b>53.59</b>

18.1 Includes deposits marked lien in favour of Govt. Authorities and Banks

		<b>9.02</b>	<b>8.75</b>
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**19 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Plant & Machinery	19.1	0.68	1.08
<b>Total</b>		<b>0.68</b>	<b>1.08</b>

**19.1 Unit Auto Trim Division:** Suspension of operations was declared of the Parent Company's unit Auto Trim Division at Birlapur, West Bengal w.e.f. 18th February, 2014. There have been no operations at Chakan plant, Maharashtra and at Gurgaon plant, Haryana since August, 2007 and November, 2007 respectively. A resolution was passed by the Board of Directors of the Parent Company on 3rd May, 2019 for disposal of remaining assets of the Unit situated at Birlapur (West Bengal), Gurgaon (Haryana) and Chakan (Maharashtra). The Board of the Parent Company has also passed resolutions and declared "Closure of Manufacturing Establishment" for Birlapur unit and Gurgaon unit from 30th July, 2021 and 1st September, 2022 respectively. During the year, Parent Company has disposed off the major portion of Plant and Machinery of Birlapur unit and sale of balance items of Birlapur unit and other units are expected to be completed by March, 2024. The assets of the unit comprising Plant & Machineries are presented within total assets of the "Others Segment Assets" under Segment Reporting.

**Non recurring fair value measurements**

The fair value of the Plant & Machineries, classified as Held for Sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in accounting policies related to fair value measurement. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

**20 EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>20.1 Authorised Share Capital</b>				
Ordinary Shares of ₹ 10/- each	9,00,00,000	90.00	9,00,00,000	90.00
Preference Shares of ₹ 100/- each	10,00,000	10.00	10,00,000	10.00
<b>Total</b>	<b>9,10,00,000</b>	<b>100.00</b>	<b>9,10,00,000</b>	<b>100.00</b>
<b>20.2 Issued Share Capital</b>				
Ordinary Shares of ₹ 10/- each	7,70,13,416	77.01	7,70,13,416	77.01
<b>Total</b>	<b>7,70,13,416</b>	<b>77.01</b>	<b>7,70,13,416</b>	<b>77.01</b>
<b>20.3 Subscribed and Paid-up Share Capital</b>				
Ordinary Shares of ₹10/- each fully paid-up	7,70,05,347	77.01	7,70,05,347	77.01
Add: Forfeited Ordinary Shares (Amount originally paid-up)	-	0.00	-	0.00
<b>Total</b>	<b>7,70,05,347</b>	<b>77.01</b>	<b>7,70,05,347</b>	<b>77.01</b>

**20.4 Reconciliation of the number of shares at the beginning and at the end of the year**

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

**20.5 Terms/ Rights attached to Equity Shares :**

The Parent Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Group after payment of all preferential amounts, in proportion to their shareholding.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

(₹ in Crores)

The Parent Company does not have any Holding Company or Ultimate Holding Company.

### 20.7 Details of Shareholding of Promoters in the Parent Company

Name of Promoters	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
	No. of Shares	% of Total Shars	No. of Shares	% of Total Shars	
Estate of Late Smt Priyamvada Devi Birla represented by Justice Mohit Shantilal Shah, Shri Mahendra Kumar Sharma and Shri Amal Chandra Chakrabortti in their capacity as Administrators pendente lite	1,260	0.00%	1,260	0.00%	NIL
August Agents Limited	60,15,912	7.81%	60,15,912	7.81%	NIL
Baroda Agents & Trading Co. Private Limited	9,14,355	1.19%	9,14,355	1.19%	NIL
Belle Vue Clinic	1,75,148	0.23%	1,75,148	0.23%	NIL
Birla Cable Limited	280	0.00%	280	0.00%	NIL
Birla Financial Corporation Limited	280	0.00%	280	0.00%	NIL
East India Investment Co. Private Limited	73,475	0.10%	73,475	0.10%	NIL
Eastern India Educational Institution	33,61,200	4.36%	33,61,200	4.36%	NIL
Express Dairy Company Limited	280	0.00%	280	0.00%	NIL
Gwalior Webbing Co. Private Limited	17,75,200	2.31%	17,75,200	2.31%	NIL
Hindustan Gum & Chemicals Limited	2,70,000	0.35%	2,70,000	0.35%	NIL
Hindustan Medical Institution	71,59,460	9.30%	71,59,460	9.30%	NIL
Insilco Agents Limited	60,04,080	7.80%	60,04,080	7.80%	NIL
Laneseda Agents Limited	59,94,680	7.78%	59,94,680	7.78%	NIL
M.P. Birla Foundation Educational Society	1,00,100	0.13%	1,00,100	0.13%	NIL
M.P. Birla Institute of Fundamental Research	100	0.00%	100	0.00%	NIL
Mazbat Tea Estate Limited	14,67,689	1.91%	14,67,689	1.91%	NIL
Punjab Produce Holdings Limited	36,65,407	4.76%	36,65,407	4.76%	NIL
Shreyas Medical Society	1,17,740	0.15%	1,17,740	0.15%	NIL
South Point Foundation	1,40,000	0.18%	1,40,000	0.18%	NIL
The Punjab Produce & Trading Co. Private Limited	45,20,572	5.87%	45,20,572	5.87%	NIL
Universal Cables Limited	2,96,730	0.39%	2,96,730	0.39%	NIL
Vindhya Telelinks Limited	63,80,243	8.29%	63,80,243	8.29%	NIL

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Name of Promoters	As at 31st March, 2022		As at 31st March, 2021		% Change during the year
	No. of Shares	% of Total Shars	No. of Shares	% of Total Shars	
Estate of Late Smt Priyamvada Devi Birla represented by Justice Mohit Shantilal Shah, Shri Mahendra Kumar Sharma and Shri Amal Chandra Chakrabortti in their capacity as Administrators pendente lite	1,260	0.00%	1,260	0.00%	NIL
August Agents Limited	60,15,912	7.81%	60,15,912	7.81%	NIL
Baroda Agents & Trading Co. Private Limited	9,14,355	1.19%	9,14,355	1.19%	NIL
Belle Vue Clinic	1,75,148	0.23%	1,75,148	0.23%	NIL
Birla Cable Limited	280	0.00%	280	0.00%	NIL
Birla Financial Corporation Limited	280	0.00%	280	0.00%	NIL
East India Investment Co. Private Limited	73,475	0.10%	73,475	0.10%	NIL
Eastern India Educational Institution	33,61,200	4.36%	33,61,200	4.36%	NIL
Express Dairy Company Limited	280	0.00%	280	0.00%	NIL
Gwalior Webbing Co. Private Limited	17,75,200	2.31%	17,75,200	2.31%	NIL
Hindustan Gum & Chemicals Limited	2,70,000	0.35%	2,70,000	0.35%	NIL
Hindustan Medical Institution	71,59,460	9.30%	71,59,460	9.30%	NIL
Insilco Agents Limited	60,04,080	7.80%	60,04,080	7.80%	NIL
Laneseda Agents Limited	59,94,680	7.78%	59,94,680	7.78%	NIL
M.P. Birla Foundation Educational Society	1,00,100	0.13%	1,00,100	0.13%	NIL
M.P. Birla Institute of Fundamental Research	100	0.00%	100	0.00%	NIL
Mazbat Tea Estate Limited	14,67,689	1.91%	14,67,689	1.91%	NIL
Punjab Produce Holdings Limited	36,65,407	4.76%	36,65,407	4.76%	NIL
Shreyas Medical Society	1,17,740	0.15%	1,17,740	0.15%	NIL
South Point Foundation	1,40,000	0.18%	1,40,000	0.18%	NIL
The Punjab Produce & Trading Co. Private Limited	45,20,572	5.87%	45,20,572	5.87%	NIL
Universal Cables Limited	2,96,730	0.39%	2,96,730	0.39%	NIL
Vindhya Telelinks Limited	63,80,243	8.29%	63,80,243	8.29%	NIL

**20.8 Details of Equity Shareholders holding more than 5% shares in the Parent Company**

Name of Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Ordinary Shares of ₹ 10/- each fully paid</b>				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. Private Limited	45,20,572	5.87	45,20,572	5.87

**20.9** No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**20.10** The Parent Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

**20.11** No securities convertible into Equity/ Preference shares have been issued by the Group during the year.

**20.12** No calls are unpaid by any Director or Officer of the Group during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 21 OTHER EQUITY (Refer Statement of Change in Equity)

(₹ in Crores)

The Description of the nature and purpose of each reserve within equity is as follows:

- 21.1 Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.
- 21.2 Capital Reserve on Consolidation:** This reserve arises on account of consolidation of the financials of subsidiaries.
- 21.3 Debenture Redemption Reserve (DRR):** The Parent Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the Parent Company to create DRR out of profits of the Parent Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable as per the amendment in the Companies (Share capital and Debentures) Rules, 2014. Accordingly, the Parent Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.
- 21.4 General Reserve:** The general reserve is created out of retained earnings and use for appropriation purposes.
- 21.5 Retained Earnings:** Retained earnings represents the undistributed profit of the Group.
- 21.6 Debt Instrument through Other Comprehensive Income:** This reserve is created on account of fair valuation of selected debt instrument and will be transferred to statement of profit and loss on liquidation of respective instruments.
- 21.7 Effective Portion of Cashflow Hedges:** The Group has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective or instruments settled, the amount will be transferred to the statement of profit and loss.
- 21.8 Equity Instruments through Other Comprehensive Income :** This reserve is created on account of fair valuation of equity instruments. This will be directly transferred to retained earnings on disposal of respective equity instruments.
- 21.9 Revaluation Surplus:** Revaluation surplus arises on account of fair valuation of freehold land. This will be directly transferred to retained earnings at the time of sale/disposal/transfer (if any) of the respective portion of freehold land.

### 22 LONG TERM BORROWINGS

Particulars	Refer Note No.	Face Value in (₹)		Non-Current Portion		Current Maturities	
		31st March, 2023	31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Non-Convertible Debentures (NCD)</b>	22.1(a)						
2,500 (Previous Year - 2,500) 9.25% NCD 2026		10,00,000	10,00,000	245.49	250.00	-	-
1,500 (Previous Year - 1,500) 7.05% NCD 2024	22.1 (a) (v)	8,00,000	10,00,000	58.19	120.00	60.00	30.00
1,500 (Previous Year - 1,500) 5.75% NCD 2027		10,00,000	10,00,000	150.00	150.00	-	-
				<b>453.68</b>	<b>520.00</b>	<b>60.00</b>	<b>30.00</b>
<b>Term Loans</b>							
<b>From Banks:</b>							
Rupee Loans	22.1(b)			3,013.13	2,922.88	331.73	136.48
Foreign Currency Loans	22.1 (c)			347.79	325.92	99.09	38.51
<b>From Others:</b>							
Rupee Loan	22.1(d)			23.70	21.79	-	-
				<b>3,384.62</b>	<b>3,270.59</b>	<b>430.82</b>	<b>174.99</b>
<b>Total</b>				<b>3,838.30</b>	<b>3,790.59</b>	<b>490.82</b>	<b>204.99</b>
Amount disclosed under the head "Short Term Borrowings"	27			-	-	(490.82)	(204.99)
<b>Total</b>				<b>3,838.30</b>	<b>3,790.59</b>	<b>-</b>	<b>-</b>
<b>Break Up of Security Details</b>							
Secured				3,838.30	3,767.97	466.29	182.37
Unsecured				-	22.62	24.53	22.62
<b>Total</b>				<b>3,838.30</b>	<b>3,790.59</b>	<b>490.82</b>	<b>204.99</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**22.1 Terms and Conditions of Long Term Borrowings :**

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>a) Non-Convertible Debentures</b>			
i) 9.25% NCD 2026 (Fixed Coupon Rate)	22.1 (a)(iv) & (e)(i)	250.00	250.00
ii) 7.05% NCD 2024 (Fixed Coupon Rate)	22.1 (a)(iv) & (e)(ii)	120.00	150.00
iii) 5.75% NCD 2027 (Floating Coupon Rate @ 6 Months Treasury Bills notified by RBI)	22.1 (e)(iii)	150.00	150.00
iv) During the year, Parent Company has fair valued the NCDs carrying fixed coupon rate i.e. 9.25% NCD 2026 and 7.05% NCD 2024 in line with interest rate swaps taken against these NCDs.			
v) During the year, Parent Company has repaid ₹ 30.00 Crores to the debenture -holders by way of face value redemption. New face value (after repayment) is ₹ 8.00 Lakhs per NCD from ₹ 10.00 Lakhs.			
<b>b) Rupee Term Loan- From Banks- in Indian Rupees</b>	22.1 (f)	3,360.06	3,073.44
<b>c) Foreign Currency Loan - From Banks - in Foreign Currency</b>	22.1 (g)	446.88	364.42
<b>d) Rupee Term Loan - From Others - in Indian Rupees</b>	22.1 (h)	33.01	33.01

**e) Non-Convertible Debentures are redeemable fully at par as under :-**

- i) 9.25% NCD 2026 of ₹ 250.00 Crores, includes ₹ 60.00 Crores repayable in August 2024, ₹ 15.00 Crores repayable in September 2024, ₹ 60.00 Crores repayable in August 2025, ₹ 15.00 Crores repayable in September 2025, ₹ 80.00 Crores repayable in August 2026, ₹ 20.00 Crores repayable in September 2026.
- ii) 7.05% NCD 2024 of ₹ 120.00 Crores, includes ₹ 60.00 Crores repayable in December 2023 and ₹ 60.00 Crores repayable in December 2024.
- iii) 5.75% NCD 2027 of ₹ 150.00 Crores, repayable in February 2027.

The Non-Convertible Debentures referred in (e) (i) and (e) (ii) are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with other lender banks. Non-Convertible Debentures referred in (e) (iii) is secured by first charge on freehold land belongs to Parent Company's unit Soorah Jute Mills situated at Narkeldanga, Kolkata.

**f) Rupee Loan from Banks:**
**i) ₹ 224 Crores (3 months T-Bill + 140 bps) is repayable as under:**

- ₹ 28.00 Crores repayable in 4 equal quarterly installments from June 2023 to March 2024.
- ₹ 70.00 Crores repayable in 8 equal quarterly installments from June 2024 to March 2026.
- ₹ 84.00 Crores repayable in 8 equal quarterly installments from June 2026 to March 2028.
- ₹ 42.00 Crores repayable in 2 equal quarterly installments from June 2028 to September 2028.

The loan is secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with debenture holders and other lender banks.

**ii) ₹ 57.48 Crores (3 months T-Bill + 140 bps) is repayable as under:**

- ₹ 7.50 Crores repayable in 2 equal quarterly installments from June 2023 to September 2023.
- ₹ 24.96 Crores repayable in 6 equal quarterly installments from December 2023 to March 2025.
- ₹ 25.02 Crores repayable in 6 equal quarterly installments from June 2025 to September 2026.

The loan is secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Jute Division and land situated at Birlapur and Narkeldanga, ranking pari-passu with debenture holders.

**iii) ₹ 468.60 Crores (3 months repo rate plus spread of 1.50% p.a.) is repayable as under:**

- ₹ 142.27 Crores repayable in 8 equal quarterly installments from June, 2023 to March, 2025.
- ₹ 271.59 Crores repayable in 14 equal quarterly installments from June, 2025 to September, 2028.
- ₹ 54.74 Crores repayable in December, 2028.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

**iv) ₹ 262.60 Crores (3 months mibor plus spread of 1.40% p.a.) is repayable as under:**

- ₹ 76.33 Crores repayable in 8 equal quarterly installments from June, 2023 to March, 2025.
- ₹ 145.71 Crores repayable in 14 equal quarterly installments from June, 2025 to September, 2028.
- ₹ 40.56 Crores repayable in December, 2028.

**v) ₹ 265.31 Crores (7.60% p.a. upto 31st March, 2026 and thereafter @ 1yr MCLR plus spread) is repayable as under:**

- ₹ 76.33 Crores repayable in 8 equal quarterly installments from June, 2023 to March, 2025.
- ₹ 145.72 Crores repayable in 14 equal quarterly installments from June, 2025 to September, 2028
- ₹ 43.26 Crores repayable in December, 2028.

**vi) ₹ 216.50 Crores (7.25% p.a. upto 16th February, 2026 and thereafter @ 1 year MCLR) is repayable as under:**

- ₹ 16.24 Crores repayable in 2 equal quarterly installments from May, 2023 to August, 2023.
- ₹ 20.01 Crores repayable in 2 equal quarterly installments from November, 2023 to February, 2024.
- ₹ 172.55 Crores repayable in 17 equal quarterly installments from May, 2024 to May, 2028.
- ₹ 7.70 Crores repayable in August, 2028

The above loans as referred in f (iii), f (iv), f (v) and f (vi) are secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment & Intangible Assets pertaining to Projects at Maihar (Madhya Pradesh), Kundanganj (Uttar Pradesh) and Coal mines located at Sial Ghogri (Madhya Pradesh), ranking pari passu with other lender banks and second charge on entire current assets of the subsidiary Company ranking pari passu with other lender banks.

**vii) ₹ 160.00 Crores (rate of interest 7.70% p.a.) is repayable as under:**

- ₹ 160 Crores repayable in 20 equal quarterly installments from August, 2023 to May, 2028.

The loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment & Intangible Assets pertaining to projects at Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh, ranking pari passu with other lender bank (s).

**viii) ₹ 1,656.57 Crores (rate of interest ranging from @ Repo plus spread of 1.60%, 3 months T-bill linked plus spread of 1.29% to overnight MCLR) outstanding as on 31st March, 2023 against sanctioned amount of ₹ 1,820 Crores, balance amount to be drawn in future. The balance amount of sanctioned Loan is repayable as under:**

- ₹ 4.60 Crores repayable in 1 quarterly installment in June, 2023.
- ₹ 21.74 Crores repayable in September 2023.
- ₹ 68.79 Crores repayable in 3 equal quarterly installments from December, 2023 to June 2024.
- ₹ 35.61 Crores repayable in September 2024.
- ₹ 110.04 Crores repayable in 3 equal quarterly installments from December 2024 to June 2025.
- ₹ 44.96 Crores repayable in September, 2025.
- ₹ 136.38 Crores repayable in 3 equal quarterly installments from December, 2025 to June, 2026.
- ₹ 183.44 Crores repayable in 4 equal quarterly installments from September, 2026 to June, 2027.
- ₹ 58.33 Crores repayable in September, 2027.
- ₹ 59.08 Crores repayable in December, 2027.
- ₹ 59.61 Crores repayable in March, 2028.
- ₹ 59.89 Crores repayable in June, 2028.
- ₹ 344.32 Crores repayable in 4 equal quarterly installments from September, 2028 to June, 2029.
- ₹ 89.95 Crores repayable in September, 2029.
- ₹ 275.10 Crores repayable in 3 equal quarterly installments from December, 2029 to June, 2030.
- ₹ 122.42 Crores repayable in September, 2030.
- ₹ 130.80 Crores repayable in December, 2030.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

The Loans (consortium) are secured by way of first pari-passu charge on all present and future movable and immovable Property, Plant and Equipment & Intangible Assets pertaining to Projects at Mukutban (Maharashtra) and movable fixed assets at Butibori (Maharashtra) and second charge on entire current assets of the subsidiary Company ranking pari passu with other lender banks.

**ix) ₹ 49.00 Crores (7.25% p.a. upto 16th February, 2026 and thereafter @ 1 year MCLR) is repayable as under:**

The loan is repayable in 23 equal quarterly installments of ₹ 2.00 Crores each from June 2023 to December 2028 and balance ₹ 3.00 Crores repayable on March 2029.

The loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment & Intangible Assets pertaining to Projects at Maihar (Madhya Pradesh), ranking pari passu with other lender banks.

**g) Foreign Currency Loans from Banks are repayable as under:-**

**i) Term Loan ₹ 142.12 Crores (SGD : 2.30 Crores), rate of interest @ 1.58% p.a., is repayable as under:**

₹ 4.31 Crores repayable on June 2023.

₹ 137.81 Crores repayable in 12 equal quarterly installments starting from September 2023 to June 2026.

The loan is secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with Debenture holders and other lender banks.

**ii) ₹ 93.40 Crores (USD : 1.14 Crores), rate of interest @ 6 months SOFR plus spread of 1% p.a. is repayable as under:**

₹ 4.75 Crores repayable in 4 equal quarterly installments from June, 2023 to March, 2024.

₹ 9.50 Crores repayable in 4 equal quarterly installments from June, 2024 to March, 2025.

₹ 15.20 Crores repayable in 4 equal quarterly installments from June, 2025 to March, 2026.

₹ 18.05 Crores repayable in 4 equal quarterly installments from June, 2026 to March, 2027.

₹ 34.20 Crores repayable in 8 equal quarterly installments from June, 2027 to March, 2029.

₹ 6.18 Crores repayable in June, 2029.

₹ 5.52 Crores repayable in September, 2029.

**iii) ₹ 186.82 Crores (USD : 2.27 Crores), rate of interest @ 6.40% p.a. (including hedging cost), is repayable as under:**

₹ 62.10 Crores repayable in 8 equal quarterly installments from June, 2023 to March, 2025.

₹ 118.57 Crores repayable in 14 equal quarterly installments from June, 2025 to September, 2028.

₹ 6.15 Crores repayable in December, 2028.

The above loans as referred in g (ii) and g (iii) are secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment & Intangible Assets pertaining to Projects at Maihar (Madhya Pradesh), Kundanganj (Uttar Pradesh) and Coal mines located at Sial Ghogri (Madhya Pradesh), ranking pari passu with other lender banks and second charge on entire current assets of the subsidiary Company ranking pari passu with other lender banks.

**iv) ₹ 24.53 Crores (USD : 0.30 Crore), rate of interest @ 6M LIBOR plus 175 bps p.a.**

The loan is unsecured and repayable in September, 2023.

**h) Rupee Loans from Other is repayable as under:-**

Interest free Term Loan of ₹ 33.01 Crores from Pradeshiya Industrial & Investment Corporation of U.P. Ltd.

- i) ₹ 33.01 Crores includes, ₹ 2.82 Crores repayable in January 2025, ₹ 2.42 Crores repayable in March 2025, ₹ 6.67 Crores repayable in May 2025, ₹ 9.08 Crores repayable in March 2028 and ₹ 12.02 Crores repayable in March 2029.

The loans are secured by Bank Guarantees.

- 22.2** The borrowings obtained by the Group from banks and proceedings from issue of Non-Convertible Debentures have been applied for the purpose for which such borrowings were taken and Non-Convertible Debentures were issued.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 23 OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Trade & Security Deposits (Unsecured)		605.73	576.16	–	–
Interest accrued but not due on Borrowings		–	–	18.18	17.13
Interest accrued and due on Borrowings		–	–	–	1.90
Unpaid and Unclaimed dividends		–	–	1.35	1.41
Employees Related Liabilities		–	–	52.79	52.67
Amount Payable for Capital Goods		–	–	121.20	186.89
Derivative Contracts (Net)		6.13	1.77	4.35	2.09
Other Payables (Including rebates and discounts)		–	–	363.56	325.67
		611.86	577.93	561.43	587.76
Liabilities Under Litigation		37.48	35.05	–	–
Less : Paid Under Protest		27.85	27.09	–	–
		9.63	7.96	–	–
<b>Total</b>		<b>621.49</b>	<b>585.89</b>	<b>561.43</b>	<b>587.76</b>

### 24 PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		63.68	54.29	6.23	6.58
Provision for Mines Restoration	24.1	14.03	9.37	6.69	6.96
<b>Total</b>		<b>77.71</b>	<b>63.66</b>	<b>12.92</b>	<b>13.54</b>

#### 24.1 Movement of Provision:-

Particulars	Non Current		Current	
	Provision for Mines Restoration		Provision for Mines Restoration	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
<b>Balance as at year beginning</b>	9.37	8.61	6.96	6.91
Provision made during the year	4.66	0.76	0.20	0.45
Provision utilised/written back during the year	–	–	0.47	0.40
<b>Balance as at the year end</b>	<b>14.03</b>	<b>9.37</b>	<b>6.69</b>	<b>6.96</b>

The Group has an obligation to restore the mines after extracting of reserves. Therefore provision has been recognised for the estimated decommissioning and restoration cost in accordance with the mines closure plan.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**25 DEFERRED TAX LIABILITIES (NET)**

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax Liabilities</b>			
Arising on account of :			
Depreciation & Lease adjustments		950.75	916.06
Revaluation Surplus		258.01	264.43
Mark to Market Gain on Investments		32.88	33.72
Others		0.25	(14.23)
		<b>1,241.89</b>	<b>1,199.98</b>
<b>Less: Deferred Tax Assets</b>			
Arising on account of :			
Mat Credit Entitlement		171.78	162.73
Items u/s 43B of Income Tax Act, 1961		54.18	54.54
Unused Tax Credit		31.06	0.48
Others		13.66	10.03
		<b>270.68</b>	<b>227.78</b>
<b>Deferred Tax Liabilities (Net)</b>		<b>971.21</b>	<b>972.20</b>

**25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2022 and 31st March, 2023**

Particulars	As at 1st April, 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquired through Business Combinations	As at 31st March, 2023
<b>Deferred Tax Liabilities</b>					
Depreciation & Lease adjustments	916.06	34.69	0.00	-	950.75
Revaluation Surplus	264.43	0.00	(6.42)	-	258.01
Remeasurement of the Defined Benefit Plans	-	1.02	(1.02)	-	-
Mark to Market Gain on Investments	33.72	(6.38)	5.54	-	32.88
Others	(14.23)	14.95	(0.47)	-	0.25
	<b>1,199.98</b>	<b>44.28</b>	<b>(2.37)</b>	<b>-</b>	<b>1,241.89</b>
<b>Deferred Tax Assets</b>					
Mat Credit Entitlement	162.73	9.05	-	-	171.78
Items u/s 43B of Income Tax Act, 1961	54.54	(0.36)	-	-	54.18
Unused Tax Credit	0.48	30.58	-	-	31.06
Others	10.03	3.63	-	-	13.66
	<b>227.78</b>	<b>42.90</b>	<b>-</b>	<b>-</b>	<b>270.68</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>972.20</b>	<b>1.38</b>	<b>(2.37)</b>	<b>-</b>	<b>971.21</b>

Particulars	As at 1st April, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquired through Business Combinations	As at 31st March, 2022
<b>Deferred Tax Liabilities</b>					
Depreciation & Lease adjustments	911.13	4.28	-	0.65	916.06
Revaluation Surplus	231.03	-	33.40	-	264.43
Remeasurement of the Defined Benefit Plans	-	(3.24)	3.24	-	-
Mark to Market Gain on Investments	26.24	1.87	5.61	-	33.72
Others	(12.38)	(1.90)	0.05	-	(14.23)
	<b>1,156.02</b>	<b>1.01</b>	<b>42.30</b>	<b>0.65</b>	<b>1,199.98</b>
<b>Deferred Tax Assets</b>					
Mat Credit Entitlement	181.69	(18.96)	-	-	162.73
Items u/s 43B of Income Tax Act, 1961	58.01	(3.47)	-	-	54.54
Unused Tax Credit	39.92	(39.96)	-	0.52	0.48
Others	9.61	0.42	-	-	10.03
	<b>289.23</b>	<b>(61.97)</b>	<b>-</b>	<b>0.52</b>	<b>227.78</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>866.79</b>	<b>62.98</b>	<b>42.30</b>	<b>0.13</b>	<b>972.20</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

**25.2** Deferred tax assets and Deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

### 26 OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Liabilities Under Litigation		264.59	303.36	–	–
Less : Paid Under Protest		134.67	175.10	–	–
		129.92	128.26	–	–
Advance Received from Customers		–	–	132.55	136.37
Statutory Dues		–	–	178.80	199.23
Bonus Liability		–	–	8.97	11.66
Deferred Revenue	26.1	6.72	8.67	2.14	2.32
Others		4.89	4.89	0.00	0.00
<b>Total</b>		<b>141.53</b>	<b>141.82</b>	<b>322.46</b>	<b>349.58</b>

#### 26.1 Movement of Deferred Revenue

Particulars	2022-23	2021-22
Opening Balance	10.99	8.07
Grants Received during the year	–	4.61
Less: Released to the Statement of Profit & Loss	2.13	1.69
<b>Closing Balance</b>	<b>8.86</b>	<b>10.99</b>
Current portion	2.14	2.32
Non Current portion	6.72	8.67

### 27 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Current maturities of Long Term Debt	22	490.82	204.99
<b>Loans Repayable on Demand</b>			
From Banks			
Rupee Loans	27.1	2.54	202.46
<b>Other Loans</b>			
From Banks			
Packing Credit in Indian Currency	27.1	18.00	10.00
<b>Total</b>		<b>511.36</b>	<b>417.45</b>
<b>The above amount includes</b>			
Secured Borrowings		468.83	201.83
Unsecured Borrowings		42.53	215.62
<b>Total</b>		<b>511.36</b>	<b>417.45</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**27.1** The Group has been sanctioned working capital facilities (fund and non-fund based) from various Banks. Security terms are as follows:

- (a) Secured by way of first charge on hypothecation of Parent Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on movable and immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division.
- (b) Secured by way of first charge on hypothecation of Subsidiary Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Projects at Maihar (Madhya Pradesh), Kundangunj (Uttar Pradesh), Mukutban (Maharashtra) and Coal Mines located at Sial Ghogri Coal Mines (Madhya Pradesh).

In addition to above, the Group has also availed unsecured working capital facilities from various banks.

**27.2** The Group has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account.

**27.3** The Group has not been declared as a Wilful Defaulter by any bank or financial institution or other lender.

**28 TRADE PAYABLES**

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
Trade Payables for goods and services			
- Total outstanding dues of micro enterprises and small enterprises	45	19.84	10.01
- Total outstanding dues of creditors other than micro enterprises and small enterprises		899.88	751.96
<b>Total</b>		<b>919.72</b>	<b>761.97</b>

**28.1 Trade Payables ageing schedule**
**As at 31st March, 2023**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	0.08	15.20	3.30	0.34	0.44	0.48	19.84
ii) Others	164.10	178.10	468.59	37.22	14.30	34.29	896.60
iii) Disputed dues – MSME	-	-	-	-	-	-	-
iv) Disputed dues – Others	-	-	0.10	0.01	0.00	3.17	3.28
<b>Total</b>	<b>164.18</b>	<b>193.30</b>	<b>471.99</b>	<b>37.57</b>	<b>14.74</b>	<b>37.94</b>	<b>919.72</b>

**As at 31st March, 2022**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	0.28	5.27	4.25	0.14	0.05	0.02	10.01
ii) Others	165.57	129.06	400.84	19.84	11.64	21.23	748.18
iii) Disputed dues – MSME	-	-	-	-	-	-	-
iv) Disputed dues – Others	-	-	0.02	-	-	3.76	3.78
<b>Total</b>	<b>165.85</b>	<b>134.33</b>	<b>405.11</b>	<b>19.98</b>	<b>11.69</b>	<b>25.01</b>	<b>761.97</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 29 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Products	29.1 to 29.4	8,507.96	7,287.75
		<b>8,507.96</b>	<b>7,287.75</b>
Other Operating Revenues			
Incentives & Subsidies	57.1 to 57.4	145.10	152.08
Export Benefits	57.5	2.65	2.61
Insurance and Other Claims (Net)		4.74	2.62
Miscellaneous Sale		21.82	16.16
		<b>174.31</b>	<b>173.47</b>
<b>Total</b>		<b>8,682.27</b>	<b>7,461.22</b>

#### 29.1 Disaggregated Revenue Information

##### a) Disaggregation of the Group's Revenue from Contracts with Customers:

Particulars	For the year ended 31st March, 2023				For the year ended 31st March, 2022			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
<b>Sale of Products</b>								
Manufactured Goods	8,049.63	432.37	2.16	8,484.16	6,851.38	398.49	0.56	7,250.43
Traded Goods	23.75	0.05	–	23.80	32.95	4.37	–	37.32
<b>Total Revenue from Contracts with Customers</b>	<b>8,073.38</b>	<b>432.42</b>	<b>2.16</b>	<b>8,507.96</b>	<b>6,884.33</b>	<b>402.86</b>	<b>0.56</b>	<b>7,287.75</b>
<b>Other Operating Revenues</b>								
Incentives & Subsidies	144.92	0.18	–	145.10	151.72	0.36	–	152.08
Export Benefits	–	2.65	–	2.65	–	2.61	–	2.61
Insurance and Other Claims (Net)	4.74	–	–	4.74	2.49	0.13	–	2.62
Miscellaneous Sale	20.41	1.35	0.06	21.82	14.46	1.64	0.06	16.16
	<b>170.07</b>	<b>4.18</b>	<b>0.06</b>	<b>174.31</b>	<b>168.67</b>	<b>4.74</b>	<b>0.06</b>	<b>173.47</b>
<b>Total Revenue from Operations</b>	<b>8,243.45</b>	<b>436.60</b>	<b>2.22</b>	<b>8,682.27</b>	<b>7,053.00</b>	<b>407.60</b>	<b>0.62</b>	<b>7,461.22</b>
Within India	8,243.41	356.06	2.22	8,601.69	7,052.92	333.24	0.62	7,386.78
Outside India	0.04	80.54	–	80.58	0.08	74.36	–	74.44
<b>Total Revenue from Operations</b>	<b>8,243.45</b>	<b>436.60</b>	<b>2.22</b>	<b>8,682.27</b>	<b>7,053.00</b>	<b>407.60</b>	<b>0.62</b>	<b>7,461.22</b>
<b>Timing of Revenue Recognition</b>								
Goods or Services transferred at a point in time	8,243.45	436.60	2.22	8,682.27	7,053.00	407.60	0.62	7,461.22
<b>Total Revenue from Operations</b>	<b>8,243.45</b>	<b>436.60</b>	<b>2.22</b>	<b>8,682.27</b>	<b>7,053.00</b>	<b>407.60</b>	<b>0.62</b>	<b>7,461.22</b>

##### b) Reconciliation of the Revenue from Contracts with Customers with the amounts disclosed in the segment information:

Particulars	For the year ended 31st March, 2023				For the year ended 31st March, 2022			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
<b>Revenue</b>								
External Sales	8,243.45	436.60	2.22	8,682.27	7,053.00	407.60	0.62	7,461.22
Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	–	7.23	8.29
<b>Total</b>	<b>8,244.89</b>	<b>436.61</b>	<b>7.86</b>	<b>8,689.36</b>	<b>7,054.06</b>	<b>407.60</b>	<b>7.85</b>	<b>7,469.51</b>
Less : Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	–	7.23	8.29
<b>Revenue from Operations</b>	<b>8,243.45</b>	<b>436.60</b>	<b>2.22</b>	<b>8,682.27</b>	<b>7,053.00</b>	<b>407.60</b>	<b>0.62</b>	<b>7,461.22</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**29.2 Information about Receivables, Contract Assets and Contract Liabilities from Contracts with Customers:**

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Trade Receivables	16	323.34	302.81
Contract Liabilities			
Advances from Customers	26	132.55	136.37

**29.3 Reconciling the amount of Revenue recognised in the Statement of Profit and Loss with the Contracted Price:**

		For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Revenue as per contracted price</b>		<b>9,216.20</b>	<b>7,851.62</b>
Less: Sales Claims		0.63	0.59
Less: Rebate & Discounts		707.61	563.28
<b>Total Revenue from Contracts with Customers</b>		<b>8,507.96</b>	<b>7,287.75</b>
Other Operating Revenues		174.31	173.47
<b>Revenue from Operations</b>		<b>8,682.27</b>	<b>7,461.22</b>

**29.4 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at Balance Sheet date are, as follows:**

Advances from Customers	26	132.55	136.37

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

**30 OTHER INCOME**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Interest Income</b>			
On Investments		2.56	0.86
On Deposits with Banks and Other Financial Institutions		4.24	7.94
On Income Tax Refund		0.23	6.60
On Other Deposits, etc.		3.08	3.06
Dividend Income		2.53	1.65
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss		7.48	5.82
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss		3.70	5.45
Net Gain/ (Loss) on sale/ maturity of Bonds/ NCDs/ G-Sec measured at fair value through OCI		0.06	-
Gain on Foreign currency transaction and translation (Net)	30.1	9.92	8.72
<b>Other Non Operating Income</b>			
Profit on sale/discard of Property, Plant and Equipment (Net)		-	2.76
Profit on revaluation of Live Stock	9	-	0.01
Profit on sale of Non Current Assets classified as Held for Sale		-	0.03
Excess Liabilities and Unclaimed Balances written back (Net)		52.03	40.34
Excess Provisions written back (Net)		-	0.55
Insurance and Other Claims (Net)		3.69	4.89
Miscellaneous Income		23.53	10.10
<b>Total</b>		<b>113.05</b>	<b>98.78</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 30.1 Gain/ (Loss) on Foreign Currency Transaction and Translation (Net)

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Gain/ (Loss) on foreign currency transaction and translation (Net)		3.90	5.72
Less: Gain/ (Loss) Transfer to Other Comprehensive Income	40.2.2	(2.71)	(0.91)
Less: Gain/ (Loss) on foreign currency transaction (Capitalised)/ Decapitalized	6.8	(3.31)	(2.09)
<b>Total</b>		<b>9.92</b>	<b>8.72</b>

### 31 COST OF MATERIALS CONSUMED

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Raw Materials Consumed		1,197.06	1,048.37
<b>Total</b>		<b>1,197.06</b>	<b>1,048.37</b>

### 32 PURCHASES OF STOCK IN TRADE

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Traded Goods		18.96	25.97
<b>Total</b>		<b>18.96</b>	<b>25.97</b>

### 33 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Inventories at the beginning of the year</b>			
Finished Goods		109.33	105.16
Stock-In-Trade		1.04	0.92
Work-In-Progress		142.95	126.42
		<b>253.32</b>	<b>232.50</b>
Add: Trial Run stocks, at the commencement of commercial production at new cement plant		44.91	–
		<b>298.23</b>	<b>232.50</b>
<b>Inventories at the end of the year</b>			
Finished Goods		182.02	109.33
Stock-In-Trade		0.75	1.04
Work-In-Progress		237.41	142.95
		<b>420.18</b>	<b>253.32</b>
<b>Changes in Inventories</b>		<b>(121.95)</b>	<b>(20.82)</b>

### 34 EMPLOYEE BENEFITS EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries & Wages		468.43	422.63
Contribution to Provident and Other Funds		40.35	35.46
Staff Welfare Expenses		15.60	14.41
		<b>524.38</b>	<b>472.50</b>
Less: Amount Capitalized		3.07	24.42
<b>Total</b>		<b>521.31</b>	<b>448.08</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**35 FINANCE COST**

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Interest Expenses</b>			
To Debenture Holders		45.53	38.77
To Banks on Term Loans, etc.		255.95	238.76
To Banks On Working Capital Loans		8.94	4.57
On Deposits and Others		44.61	42.81
Exchange Differences regarded as an adjustment to Borrowing Costs		1.38	–
<b>Other Borrowing Costs</b>			
Other Financial Charges		1.16	1.32
		<b>357.57</b>	<b>326.23</b>
Less: Amount Capitalized	35.1	18.85	83.57
<b>Total</b>		<b>338.72</b>	<b>242.66</b>

**35.1** The borrowing cost on specific borrowings has been capitalised at the rate applicable for respective borrowings.

**36 DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
On Tangible Assets	6	453.89	343.75
On Intangible Assets	8	43.98	42.07
On Investment Property	7	0.00	0.00
On Right of Use Assets	6	12.01	11.56
		<b>509.88</b>	<b>397.38</b>
Less: Transferred to Capital Work-in-Progress		–	0.44
<b>Total</b>		<b>509.88</b>	<b>396.94</b>

**37 OTHER EXPENSES**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Manufacturing Expenses</b>			
Stores & Spare Parts Consumed		402.26	315.13
Packing Materials Consumed		327.91	312.15
Power & Fuel		2,372.62	1,624.61
Royalty & Cess		207.38	151.92
Repairs to Buildings		26.39	21.44
Repairs to Machinery		122.21	106.34
Freight & Material Handling on Inter Unit Transfer		329.54	269.73
Other Manufacturing Expenses		214.72	146.22
		<b>4,003.03</b>	<b>2,947.54</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Selling and Administration Expenses</b>			
Brokerage & Commission on Sales		48.40	42.16
Transport & Forwarding Expenses		1,777.01	1,479.84
Insurance		19.61	18.02
Rent		28.78	26.02
Repairs to Other Assets		33.57	20.44
Rates & Taxes		23.41	30.56
Advertisement		61.14	60.74
Charity & Donation	37.2	0.88	1.25
Corporate Social Responsibility Expenses	49	14.39	12.50
Auditors' Remuneration	37.1	1.28	1.13
Loss on Revaluation of Live Stock (Net)	9	0.22	–
Loss on sale/ discard of Property, Plant and Equipment (Net)		12.71	–
Transfer of loss from Other Comprehensive Income related to bonds/ NCDs/ G-Secs sold/ matured during the year	40.2.1	0.01	0.00
Loss on Sale of Non-Current Investments		–	0.04
Loss on extinguishment of financial liabilities		0.07	0.96
Goodwill on Consolidation written off	59	–	0.10
Net (Gain)/Loss on Mark to Market of Derivative Contracts related to NCDs		0.15	0.68
Net Provision for doubtful debts/ advances		3.98	(2.45)
Bad Debts		–	2.45
Directors' Sitting Fees		1.33	1.14
Directors' Commission		1.00	1.10
Other Expenses		263.91	205.39
		<b>2,291.85</b>	<b>1,902.07</b>
<b>Total</b>		<b>6,294.88</b>	<b>4,849.61</b>

### 37.1 Auditors' Remuneration

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a) Statutory Auditors			
Audit Fees		0.58	0.53
Tax Audit Fees		0.07	0.07
Limited Review		0.19	0.19
Travelling Expenses		0.08	0.01
Issue of Certificates		0.31	0.29
		<b>1.23</b>	<b>1.09</b>
b) Cost Auditors			
Audit Fees		0.04	0.04
Travelling Expenses		0.01	0.00
		<b>0.05</b>	<b>0.04</b>
<b>Total</b>		<b>1.28</b>	<b>1.13</b>

**37.2** Charity & Donation includes ₹ 0.38 Crore (Previous Year ₹ NIL) contribution made to an Electoral Trust Company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**38 EXCEPTIONAL ITEM**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
On account of Electricity Charges	38.1	25.46	-
On account of Earlier Year's Incentive	38.2	(32.11)	-
On account of Insurance and other claims	38.3	-	(7.00)
On account of Interest on Entry tax	38.4	-	38.44
		<b>(6.65)</b>	<b>31.44</b>

**38.1** Represents electricity charges pertaining to earlier years of the Parent Company on account of increase in power tariff notified by the authorities in the current year.

**38.2** Represents additional SGST incentive relating to earlier years accrued based on the sanction letters received from the State Government of Madhya Pradesh during the current year by RCCPL Private Limited, wholly owned subsidiary of the Company.

**38.3** Representing compensation claim received from a party on account of damages caused to the asset of the Parent Company.

**38.4** On account of provision made towards interest on payment of U.P. Entry Tax. While the matter is sub judice, as a matter of abundant caution, such provision has been made in the books of Parent Company.

**39 TAX EXPENSE**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Current Tax	39.1	10.03	77.09
Deferred Tax			
On Other Items		10.43	44.02
Less : MAT Credit Entitlement		9.05	0.05
Add : MAT Credit Utilized/ Written Off		0.00	19.01
		<b>1.38</b>	<b>62.98</b>
Income Tax for earlier years		(8.80)	(0.91)
<b>Total</b>		<b>2.61</b>	<b>139.16</b>

**39.1 Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Profit and Loss:**

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income before Income Taxes		43.11	537.75
Indian Statutory Income Tax Rate	39.2	34.944%	34.944%
Estimated Income Tax Expenses		<b>15.06</b>	<b>187.91</b>
<b>Tax Effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:</b>			
Deduction under Chapter VIA		(25.60)	(34.41)
Tax payable at different rate / Capital Gain		(5.38)	(29.73)
Deferred Tax Adjustment		1.14	3.37
Permanent Difference		11.08	16.56
IT Order Impact and Others		0.61	0.74
Income Tax for earlier years		-	(0.91)
Impact on account of opting new tax regime		5.70	-
Effect of Reversal of Deferred Tax Liability for change in income tax rates	39.2	-	(4.37)
		<b>(12.45)</b>	<b>(48.75)</b>
<b>Income Tax Expense in the Statement of Profit and Loss</b>		<b>2.61</b>	<b>139.16</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

**39.2** The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act 1961, which provides an option to a corporate for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Parent Company is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Parent Company under the Income Tax Act, 1961. However, the Parent Company had applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Parent Company may be subjected to lower tax rate and accordingly as on 31st March, 2023 and 2022 the Parent Company has created / (reversed) net deferred tax liability of ₹ 5.70 Crores and (-) ₹ 4.37 Crores respectively. Out of seven subsidiaries and two stepdown subsidiaries, four subsidiaries (RCCPL Private Limited, Birla Jute Supply Company Limited, Lok Cements Limited, Budge Budge Floor Coverings Limited) and one stepdown subsidiary (AAA Resources Private Limited) have provided tax expenses at reduced rates. Remaining subsidiaries and a stepdown subsidiary continue to provide for income tax at old rates. Applicable Indian Statutory Income Tax Rate for Fiscal Year 2022 and 2021 is 34.944% (existing provision) and 25.168% (new tax regime).

**39.3** There is no income or transaction which has not been disclosed or recorded in the books of accounts which has been surrendered or disclosed as income in the tax assessments during the year 31st March, 2023 and 31st March, 2022.

### 40 OTHER COMPREHENSIVE INCOME

Particulars	Refer Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>40.1 Items that will not be reclassified to profit or loss</b>			
<b>40.1.1 Remeasurement of the Defined Benefit Plans</b>		(3.86)	9.49
Less: Tax expense on the above		(1.02)	3.24
		<b>(2.84)</b>	<b>6.25</b>
<b>40.1.2 Revaluation Surplus</b>	6.2	-	155.02
Less: Reversal of revaluation gain on reclassification	6.2	(30.50)	-
		(30.50)	155.02
Less: Tax expense on the above		(6.42)	33.40
		<b>(24.08)</b>	<b>121.62</b>
<b>40.1.3 Equity Instruments through Other Comprehensive Income</b>		3.28	119.45
Less: Tax expense on the above		4.73	5.69
		<b>(1.45)</b>	<b>113.76</b>
<b>40.2 Items that will be reclassified to profit or loss</b>			
<b>40.2.1 Debt Instruments through Other Comprehensive Income</b>		(0.13)	(0.25)
Less: Amount reclassified to statement of Profit & Loss	37	0.01	0.00
		(0.12)	(0.25)
Less: Tax expense on the above		0.81	(0.08)
		<b>(0.93)</b>	<b>(0.17)</b>
<b>40.2.2 Effective Portion of Cash Flow Hedges</b>	55.4.2	(2.71)	(0.91)
Less: Amount reclassified to Statement of Profit and Loss		-	-
		<b>(2.71)</b>	<b>(0.91)</b>
Less: Tax expense on the above		(0.47)	0.05
		<b>(2.24)</b>	<b>(0.96)</b>
<b>Total Other Comprehensive Income for the year (Net of Tax)</b>		<b>(31.54)</b>	<b>240.50</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

**41 CONTINGENT LIABILITIES :**

(₹ in Crores)

**41.1 Claims/Disputes/Demands against the Group not acknowledged as debt :**

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
41.1.1	Sales Tax, VAT, CST and Entry Tax matters	114.04	114.04
41.1.2	Excise Duty, Service Tax, Goods & Service Tax and Custom Duty matters	136.58	136.43
41.1.3	Income Tax matters	27.99	28.45
41.1.4	Electricity Duty and Renewable Energy Surcharge matters	21.52	21.52
41.1.5	Royalty on Limestone	–	67.91
41.1.6	Others (Primarily related to demand for Alleged Impermissible Mining, Water Supply Charges, Stamp Duty, House Tax, Education Cess etc.)	73.69	64.83

**41.2** An Appeal has been filed by Budge Budge Floorcoverings Limited, a subsidiary, before the Division Bench of the Hon'ble Calcutta High Court, for award against the subsidiary in respect of Suspension of Work and settlement of charter of demand made by the workers. The Division Bench of the Hon'ble Calcutta High Court has stayed the operation of award till further order. The contingent liability could not be ascertained at this stage.

**41.3** The Group is subject to electricity tariff notified by the relevant authorities. As there is substantial time lag in notifying such changes, the difference, if any, is accounted for at the time of notification of changes in tariff.

**41.4** In respect of the matters in Note No. 41.1 to 41.3, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibility of any reimbursements to be made to the Group from any third party.

**41.5** The Group has provided corporate guarantee in the nature of financial guarantee to the statutory authority on behalf of a vendor amounting to ₹ 6.10 Crores (Previous Year ₹ 6.10 Crores).

**41.6 Other Contingent Liabilities**

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
41.6.1	Bills discounted with Banks remaining outstanding	3.26	2.37
41.6.2	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance Licence Scheme	0.25	–

**42 Dividend**

The Board of Directors of the Parent Company at its meeting held on 9th May, 2023 have recommended a payment of final dividend of ₹ 2.50 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2023. The same amounts to ₹ 19.25 Crores.

The above is subject to approval at the ensuing Annual General Meeting of the Parent Company and hence is not recognized as a liability.

**43 Commitments**

**Capital Commitments**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	199.64	347.98

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 44 Assets Pledged as Security

(₹ in Crores)

The carrying amounts of Assets Pledged as Security for Current and Non-Current Borrowings are:

Particulars	Refer Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>			
<b>Financial Assets</b>			
Trade Receivables	16	323.34	302.81
		<b>323.34</b>	<b>302.81</b>
<b>Non-Financial Assets</b>			
Inventories	14	1,061.54	819.87
Others	13	0.03	0.03
		<b>1,061.57</b>	<b>819.90</b>
<b>Total Current Assets Pledged as Security</b>		<b>1,384.91</b>	<b>1,122.71</b>
<b>Non-Current</b>			
Land	6	2,281.48	2,182.60
Buildings	6	874.48	596.23
Plant & Machinery	6	4,783.88	3,279.36
Others Tangible Assets	6	618.60	265.13
Capital work-in progress	6	357.33	2,549.32
Other Non Current Assets (including Intangible Assets)	8 & 13	48.07	58.28
<b>Total Non-Current Assets Pledged as Security</b>		<b>8,963.84</b>	<b>8,930.92</b>
<b>Total Assets Pledged as Security</b>		<b>10,348.75</b>	<b>10,053.63</b>

### 45 Disclosure as required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year: <u>Trade Payable</u> Principal Interest <u>Other Financial Liability</u> Principal Interest	19.84 - 7.87 -	10.01 - 1.48 -
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. Principal Interest	- -	- -
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the group and the same has been relied upon by the auditors.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**46 Leases**
**46.1 As Lessee**

**46.1.1** The Group's significant leasing arrangements are in respect of leases for premises (residential, manufacturing-facilities, office, stores, godown, etc.). These leasing arrangements which are cancellable ranging between 11 months and 99 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms.

**46.1.2 The following is the summary of practical expedients used for lease accounting:**

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognised right of use assets and liabilities for leases with less than 12 months of lease term and low value of assets.
- Used hindsight in determining the lease term whether the contract contained options to extend or terminate the lease.

**46.1.3 Following is carrying value of right of use assets recognized and movements thereof during the year ended 31st March, 2022 and 31st March, 2023:**

Particulars	Right of Use Assets			
	Leasehold Land	Building	Plant and Machinery	Total
<b>Balance as at 1st April, 2021</b>	<b>152.56</b>	<b>3.34</b>	<b>95.76</b>	<b>251.66</b>
Additions during the year	-	-	24.57	24.57
Deletion during the year	-	-	-	-
Depreciation of Right of Use Assets (Refer Note No. 36)	(2.66)	(0.68)	(8.22)	(11.56)
<b>Balance as at 31st March, 2022</b>	<b>149.90</b>	<b>2.66</b>	<b>112.11</b>	<b>264.67</b>
Additions during the year	0.11	-	-	0.11
Deletion during the year	-	-	-	-
Depreciation of Right of Use Assets (Refer Note No. 36)	(2.66)	(0.68)	(8.67)	(12.01)
<b>Balance as at 31st March, 2023</b>	<b>147.35</b>	<b>1.98</b>	<b>103.44</b>	<b>252.77</b>

**46.1.4 The following is the carrying value of lease liability recognized and movements thereof during the year ended 31st March, 2022 and 31st March, 2023:**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Balance as at year beginning</b>	<b>117.90</b>	<b>99.92</b>
Additions during the year	-	23.84
Finance cost accrued during the year	12.27	12.44
Deletions	-	(2.96)
Payment of Lease Liabilities	(17.56)	(15.34)
<b>Balance as at year end</b>	<b>112.61</b>	<b>117.90</b>
Current maturities of Lease Liability	6.10	5.43
Non-Current Lease Liability	106.51	112.47

**46.1.5 Amounts recognised in the statement of profit and loss during the year:**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Depreciation charge of right-of-use assets - Leasehold Land (Refer Note No. 6)	2.66	2.66
Depreciation charge of right-of-use assets - Building (Refer Note No. 6)	0.68	0.68
Depreciation charge of right-of-use assets - Plant and Machinery (Refer Note No. 6)	8.67	8.22
Finance cost accrued during the year (included in finance cost) (Refer Note No. 35)	12.27	12.44
Expense related to short term leases (included in other expense) (Refer Note No. 37)	28.78	26.02



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 46.1.6 The maturity analysis of lease liabilities:

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Lease Payments	Present value of Lease Payments	Lease Payments	Present value of Lease Payments
Within one year	17.86	6.10	17.70	5.43
After one year but not more than five years	67.98	31.22	68.93	25.80
More than five years	119.53	75.29	136.31	86.67
<b>Total lease liabilities payments</b>	<b>205.37</b>	<b>112.61</b>	<b>222.94</b>	<b>117.90</b>
Less: Amounts representing Finance Charges	92.76	–	105.04	–
<b>Present value of lease liabilities payments</b>	<b>112.61</b>	<b>112.61</b>	<b>117.90</b>	<b>117.90</b>

### 46.1.7 Non-cash investing activities during the year:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Acquisition of right of use assets	–	24.57
Disposals of right of use assets	–	–

46.1.8 The weighted average incremental borrowing rates applied to lease liabilities w.r.t. Leasehold land, Building and Plant & Machinery are 8.00%, 10.17% and 7.75% to 11.80% respectively.

46.1.9 The Group does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when the fall due.

### 46.2 As Lessor

The Group leased out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in Note No 7.

### 47 Earnings Per Share

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit for the year attributable to owners of the Parent Company	40.50	398.59
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic and diluted (₹)	5.26	51.76
(Face value of ₹ 10/- per share)		

### 48 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013:

#### 48.1 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
48.1.1	Provident Fund	6.36	4.85
48.1.2	Superannuation Fund	2.46	2.59
48.1.3	Pension Fund	7.97	7.82

#### 48.2 Defined Benefit Plan:

The following are the types of defined benefit plans:

##### 48.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**48.2.2 Pension Plan**

Pension is payable to certain categories of employees who are eligible under the Group's Pension Scheme.

**48.2.3 Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

**48.2.4 Risk Exposure**
**Defined Benefit Plans**

Defined benefit plans expose the Group to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

- a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- b) **Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

**48.2.5 Reconciliation of the Net Defined Benefit Obligation**

The following table shows a reconciliation from the opening balances to the closing balances for the net Defined Benefit Obligation and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Balance at the beginning of the year	150.86	150.72	0.52	0.60
Current Service Cost	11.33	11.00	-	-
Interest Cost on Defined Benefit Obligation	9.66	9.40	0.03	0.04
Actuarial Gain and Losses arising from				
Changes in Demographic Assumptions	-	-	-	0.03
Changes in Financial Assumptions	(4.34)	(3.69)	-	(0.01)
Experience Adjustment	8.68	(5.60)	(0.02)	(0.03)
Benefits paid directly by the Company	(4.42)	-	-	-
Benefits Paid	(13.53)	(10.97)	(0.09)	(0.11)
<b>Balance at the end of the year</b>	<b>158.24</b>	<b>150.86</b>	<b>0.44</b>	<b>0.52</b>

**48.2.6 Reconciliation of the Plan Assets**

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its Components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Balance at the beginning of the year	156.25	148.92	-	-
Interest Income on Plan Assets	10.26	9.57	-	-
Remeasurement of Defined Benefit Obligation:				
Return on Plan Assets greater/ (lesser) than discount rate	0.46	0.19	-	-
Employer Contributions to the Plan	2.50	8.00	-	-
Benefits Paid	(13.53)	(10.43)	-	-
<b>Balance at the end of the year</b>	<b>155.94</b>	<b>156.25</b>	<b>-</b>	<b>-</b>

**48.2.7 The amount recognised in the Balance Sheet**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Present value of Defined Benefit Obligation	158.24	150.86	0.44	0.52
Fair Value of Plan Assets	155.94	156.25	-	-
<b>Net Asset/ (Liability) recognized in the Balance Sheet</b>	<b>(2.30)</b>	<b>5.39</b>	<b>(0.44)</b>	<b>(0.52)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 48.2.8 Expenses recognised in Profit and Loss

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Current Service Cost	11.33	11.00	–	–
Interest Cost	9.66	9.40	0.03	0.04
Interest Income on Plan Assets	(10.26)	(9.57)	–	–
<b>Total Expenses recognised in Profit and Loss</b>	<b>10.73</b>	<b>10.83</b>	<b>0.03</b>	<b>0.04</b>

### 48.2.9 Remeasurements (gain)/ loss recognised in Other Comprehensive Income

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Actuarial (gain)/ loss on Defined Benefit Obligation	4.34	(9.29)	(0.02)	(0.01)
Return on Plan Assets (greater)/ lesser than discount rate	(0.46)	(0.19)	–	–
<b>Total remeasurements (gain)/ loss recognised in Other Comprehensive Income</b>	<b>3.88</b>	<b>(9.48)</b>	<b>(0.02)</b>	<b>(0.01)</b>

### 48.2.10 Major Categories of Plan Assets

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Qualified Insurance Policy	95.63%	95.81%	–	–
Insurer Managed Funds	4.37%	4.19%	–	–

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited, Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Limited, ICICI Pru Group Unit Linked Employee Benefit Plan offered by ICICI Prudential Life Insurance Company Limited, Kotak Secure Return Employee Benefit Plan offered by Kotak Mahindra Life Insurance Limited and Rel Group Gratuity Plus Plan offered by Reliance Nippon Life Insurance Co. Limited. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

### 48.2.11 Asset-Liability Matching Strategy

The Group's investment is in Cash Accumulation Plan/ Traditional Plan/ ULIP of various Insurance Companies, the investments are being managed by these Insurance Companies and at the year end interest is being credited to the fund value. The Group has not changed the process used to manage its risk from previous periods. The Group's investments are fully secured and would be sufficient to cover its obligations.

### 48.2.12 Actuarials Assumptions

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
<b>Financial Assumptions</b>				
Discount Rate	6.80% to 7.20%	6.50% to 6.90%	7.20%	6.80%
Salary Escalation Rate	5% to 8%	7% to 8%	–	–
<b>Demographic Assumptions</b>				
Mortality Rate	IAL (2006-08) Mortality Ultimate	IAL (2006-08) Mortality Ultimate	Indian Individual Annuitant's Mortality (2012- 2015)	Indian Individual Annuitant's Mortality (2012- 2015)
Withdrawal Rate	2% to 4%	2% to 4%	–	–

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

48.2.14 At 31st March 2023, the weighted average duration of the defined benefit obligation is 4 to 8 years (previous year 4 to 11 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Within 1 Year	19.70	17.37	0.08	0.09
1 to 2 Year	17.25	15.40	0.07	0.08
2 to 3 Year	17.79	16.58	0.07	0.08
3 to 4 Year	21.41	17.45	0.06	0.07
4 to 5 Year	18.44	20.43	0.06	0.06
More than 5 Years	88.00	84.31	0.19	0.22

48.2.15 The Group expects to contribute ₹ 5.00 Crores (previous year ₹ 6.00 Crores) to its gratuity fund in 2023-24.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Within next 12 months (next annual reporting period)	5.00	6.00	–	–
Between 2 and 5 years	6.00	6.00	–	–
Between 5 and 10 years	7.00	8.00	–	–
Beyond 10 years	10.00	11.00	–	–

**48.2.17 Sensitivity Analysis**

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2022-23	2021-22	2022-23	2021-22
Effect on DBO due to 1% increase in Discount Rate	(10.24)	(9.99)	(0.02)	(0.02)
Effect on DBO due to 1% decrease in Discount Rate	11.78	11.51	0.02	0.02
Effect on DBO due to 1% increase in Salary Escalation Rate	11.61	11.29	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(10.28)	(9.99)	–	–

Sensitivity due to mortality and withdrawal rate being insignificant, ignored.

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.

48.2.18 Provident fund for certain eligible employees is managed by the Parent Company through the various Provident Fund Trusts, namely "M P Birla Group Provident Fund Institution", "Satna Cement Works Employees' Provident Fund Trust", "Birla Cement Works Staff Provident Fund Trust", "Birla Jute Mills Workers' Provident Fund Trust", "Soorah Jute Mills Employees' Provident Fund Trust", "Durgapur Cement Works Employees' Provident Fund Trust" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Parent Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Parent Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Trust has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall in current year and previous year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March, 2023	390.40	400.72	10.32
As at 31 March, 2022	367.37	380.43	13.06

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31st March, 2023	31st March, 2022
Discount Rate (per annum)	7.20%	6.80%
Expected Rate of Return on Plan Assets (per annum)	7.75% to 8.15%	7.75% to 8.10%

The Parent Company contributed ₹ 8.90 Crores and ₹ 7.84 Crores during the year ended 31st March, 2023 and 31st March, 2022 respectively.

### 49 Disclosure for Expenditure on Corporate Social Responsibility Activities

Particulars	For the year ended	
	31st March, 2023	31st March, 2022
Gross Amount required to be spent by the Group	14.35	12.66
Less: Excess spent in previous year utilized during the year	0.40	0.56
<b>Net Amount required to be spent by the Group</b> (A)	13.95	12.10
<b>Amount spent by the Group during the year for</b>		
(i) Construction/ acquisition of any asset	–	–
(ii) On purposes other than (i) above:	14.39	12.50
<b>Total Amount Spent</b> (B)	14.39	12.50
<b>Shortfall / (Excess) ^</b> (A) - (B)	(0.44)	(0.40)
<b>Total of previous year Shortfall</b>	–	–
Reason for Shortfall	NA	NA
Nature of CSR activities	Rural Infrastructure & Community Development, Education, Health Care, Livelihood & Women Empowerment, Environment, Vocational Training and others	Rural Infrastructure & Community Development, Education, Health Care, Environment and Others
Related Party Transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR Expenditure and movement thereof	NIL	NIL

^ Excess amount spent by the Group not showing as prepaid expenses in the accounts.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**50 Companies included/ not included in Consolidation:**

(₹ in Crores)

Particulars	2022-23		2021-22	
	Extent of Shareholding	Relationship	Extent of Shareholding	Relationship
<b>A. Companies included in Consolidation</b>				
<b><u>Companies incorporated in India</u></b>				
i RCCPL Private Limited	100.00%	Subsidiary	100.00%	Subsidiary
ii Birla Jute Supply Company Limited	100.00%	Subsidiary	100.00%	Subsidiary
iii Talavadi Cements Limited	98.01%	Subsidiary	98.01%	Subsidiary
iv Lok Cements Limited	100.00%	Subsidiary	100.00%	Subsidiary
v Budge Budge Floorcoverings Limited	100.00%	Subsidiary	100.00%	Subsidiary
vi Birla Cement (Assam) Limited	100.00%	Subsidiary	100.00%	Subsidiary
vii M.P. Birla Group Services Private Limited	100.00%	Subsidiary	100.00%	Subsidiary
viii AAA Resources Private Limited (w.e.f. 2nd July, 2021)	100.00%	Stepdown Subsidiary	100.00%	Stepdown Subsidiary
ix Utility Infrastructure & Works Private Limited (w.e.f. 31st March, 2022)	100.00%	Stepdown Subsidiary	100.00%	Stepdown Subsidiary
<b>B. Company not included in Consolidation</b>				
<b><u>Company incorporated Outside India, Ethiopia</u></b>				
i. Birla Corporation Cement Manufacturing PLC *	100.00%	Subsidiary	100.00%	Subsidiary

\* The Subsidiary Company stands liquidated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

- 51** Talavadi Cements Ltd, one of the subsidiary, has been granted Mining Lease for 2130 Hectors in Satna District in the State of Madhya Pradesh. An appeal against the above grant has been filed. Pursuant to order of the Hon'ble Supreme Court, the subsidiary had filed Review Petition before the Hon'ble High Court at Jabalpur. The Hon'ble High Court vide its order dated 23rd October, 2018 dismissed the Review Petition and further directed the subsidiary to raise all questions of Law and facts before the State Government. Aggrieved by the above order the subsidiary again filed a SLP before the Hon'ble Supreme Court. By an order and judgment dated 15th April, 2019 the Hon'ble Supreme Court dismissed the SLP with a direction to the State Government to decide the matter in accordance with Law in terms of the order of the Hon'ble High Court of Jabalpur. Matter is pending before the State Government for adjudication as per direction of Hon'ble Supreme Court as well as Hon'ble High Court, Jabalpur.
- 52** The Ministry of Coal had allocated Bikram and Brahmampuri Coal Blocks in the state of Madhya Pradesh through E-Auction process vide CMDPA (Coal Mine Development and Production Agreement) dated 18th December, 2019 and Vesting Order dated 10th February, 2020. Further, Ministry of Coal also allocated Markibaraka Coal Blocks in the State of Madhya Pradesh vide CMDPA (Coal Mine Development and Production Agreement) dated 17th October 2022 and Vesting Order dated 17th January, 2023. The Parent Company is in process to develop these blocks for extraction of Coal. Till 31st March, 2023 and 31st March, 2022, Parent Company has spent ₹ 40.02 Crores and ₹ 18.20 Crores respectively and shown under Capital Work-In-Progress.
- 53.1** As a policy, the Group annually assesses the impairment of property plant and equipment (PPE) and other non-current assets by comparing the carrying value of PPE and other non-current assets with its fair value. In case the fair value is less than the carrying value an impairment charge is created. Management has concluded that there is no impairment of PPE and other assets during the year and in previous year except "Realisable value of expenditure incurred in earlier year on shelved future project" of ₹ 6.95 Crores shown under "Other Assets" written off during the year (Refer Note No. 13.2).
- 53.2** Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- 53.3** The Parent Company's unit Soorah Jute mill is under Suspension of Operations since 29th March, 2004.
- 53.4** The Parent Company's unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014. Further, the Board of the Parent Company has also passed resolutions and declared "Closure of Manufacturing Establishments" for Biralpur Unit and Gurgaon Unit of Auto Trim Division from 30th July, 2021 and 1st September, 2022 respectively.
- 53.5** Budge Budge Floor Coverings Limited, one of the subsidiaries considered for consolidation, is under Suspension of Operations since 29th October, 2003.
- 53.6** In respect of mining matter of Parent Company's unit Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

53.7 Following Subsidiary Company has not been consolidated during the year as these are under voluntarily winding up: (₹ in Crores)

Name of the Company	Accumulated loss (Unaudited)	
	As at 31st March, 2023	As at 31st March, 2022
Birla Corporation Cement Manufacturing PLC *	0.45	0.45

\* The Subsidiary Company stands liquidated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

### 54 FAIR VALUE MEASUREMENT:

The fair value of the financial assets and liabilities are included at the amount 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.

#### 54.1 The following methods and assumptions were used to estimate the fair values:

54.1.1 The equity shares, bonds, non-convertible debentures and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy. Fair value of mutual funds are based on net assets value as on the reporting dates and classified as Level 1 fair values in fair value hierarchy. Fair value of investments in unquoted equity instruments are based on the Net Assets Book Value of the investee companies and same is classified as Level 3 fair values in fair value hierarchy.

54.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

54.1.3 The management has assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets (except derivative financial instruments), trade payables, short term borrowings and other current financial liabilities (except derivative financial instruments) approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

#### 54.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the Consolidated Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

#### 54.3 The following table provides classification of financial instruments and the fair value hierarchy of the Group's assets and liabilities:

##### 54.3.1 Disclosure for the year ended 31st March, 2023

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(1) Financial Assets</b>					
<b>Financial Assets at amortised cost</b>					
Investment					
– Government Securities	0.00	0.00	–	–	–
Trade Receivables	323.34	323.34	–	–	–
Loan Receivables	1.46	1.46	–	–	–
Cash and Cash Equivalents	206.51	206.51	–	–	–
Other Bank Balances	11.78	11.78	–	–	–
Security Deposits	60.61	60.61	–	–	–
Other Deposits, Advances and Claims Recoverable	13.51	13.51	–	–	–
Fixed Deposit With Others	16.00	16.00	–	–	–
Interest Accrued on Deposits	1.21	1.21	–	–	–
Fixed Deposits maturing after 12 months from Balance Sheet date	13.94	13.94	–	–	–
Other Financial Assets	2.41	2.41	–	–	–
Incentive and Subsidy Receivable	618.54	618.54	–	–	–
<b>Sub Total</b>	<b>1,269.31</b>	<b>1,269.31</b>	–	–	–

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>Financial Assets at fair value through Profit &amp; Loss</b>					
Investments					
– Unlisted Preference Shares	0.00	0.00	–	–	0.00
– Mutual Funds	373.77	373.77	373.77	–	–
Derivative Contracts	0.73	0.73	–	0.73	–
<b>Sub Total</b>	<b>374.50</b>	<b>374.50</b>	<b>373.77</b>	<b>0.73</b>	<b>0.00</b>
<b>Financial Assets at fair value through Other Comprehensive Income</b>					
Investments					
– Listed Equity Instrument	388.31	388.31	388.31	–	–
– Unlisted Equity Instrument	14.24	14.24	–	–	14.24
– Bonds	32.36	32.36	32.36	–	–
– Non-convertible Debentures	57.42	57.42	57.42	–	–
– Government Securities	1.13	1.13	1.13	–	–
Derivative Contracts	19.87	19.87	–	19.87	–
<b>Sub Total</b>	<b>513.33</b>	<b>513.33</b>	<b>479.22</b>	<b>19.87</b>	<b>14.24</b>
<b>Total Financial Assets</b>	<b>2,157.14</b>	<b>2,157.14</b>	<b>852.99</b>	<b>20.60</b>	<b>14.24</b>
Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(2) Financial Liabilities</b>					
<b>Financial Liabilities at amortised cost</b>					
<b>Long Term Borrowings</b>					
– Debentures	513.68	510.71	–	–	510.71
– Rupee Term Loan	3,344.86	3,344.86	–	–	–
– Foreign Currency Term Loan	446.88	446.88	–	–	–
Others - Rupee Term Loan	23.70	23.70	–	–	–
Lease Liabilities	112.61	112.61	–	–	–
Short Term Borrowings (Other than current maturity of Long term Borrowings)	20.54	20.54	–	–	–
Trade Payables	919.72	919.72	–	–	–
Trade & Security Deposits	605.73	605.73	–	–	–
Amount Payable for Capital Goods	121.20	121.20	–	–	–
Interest accrued but not due on Borrowings	18.18	18.18	–	–	–
Employees Related Liabilities	52.79	52.79	–	–	–
Other Financial Liabilities	374.54	374.54	–	–	–
<b>Sub Total</b>	<b>6,554.43</b>	<b>6,551.46</b>	<b>–</b>	<b>–</b>	<b>510.71</b>
<b>Financial Liabilities at fair value through Profit &amp; Loss</b>					
Derivative Contracts	9.64	9.64	–	9.64	–
<b>Sub Total</b>	<b>9.64</b>	<b>9.64</b>	<b>–</b>	<b>0.84</b>	<b>–</b>
<b>Financial Liabilities at fair value through Other Comprehensive Income</b>					
Derivative Contracts	0.84	0.84	–	0.84	–
<b>Sub Total</b>	<b>0.84</b>	<b>0.84</b>	<b>–</b>	<b>0.84</b>	<b>–</b>
<b>Total Financial Liabilities</b>	<b>6,564.91</b>	<b>6,561.94</b>	<b>–</b>	<b>10.48</b>	<b>510.71</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 54.3.2 Disclosure for the year ended 31st March, 2022

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(1) Financial Assets</b>					
<b>Financial Assets at amortised cost</b>					
Investment					
- Government Securities	0.00	0.00	-	-	-
Trade Receivables	302.81	302.81	-	-	-
Loan Receivables	1.49	1.49	-	-	-
Cash and Cash Equivalents	84.39	84.39	-	-	-
Other Bank Balances	53.59	53.59	-	-	-
Security Deposits	55.34	55.34	-	-	-
Other Deposits, Advances and Claims Recoverable	19.19	19.19	-	-	-
Fixed Deposit With Others	70.00	70.00	-	-	-
Interest Accrued on Deposits	2.38	2.38	-	-	-
Fixed Deposits maturing after 12 months from Balance Sheet date	12.91	12.91	-	-	-
Other Financial Assets	4.07	4.07	-	-	-
Incentive and Subsidy Receivable	638.61	638.61	-	-	-
<b>Sub Total</b>	<b>1,244.78</b>	<b>1,244.78</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Assets at fair value through Profit &amp; Loss</b>					
Investments					
- Unlisted Preference Shares	0.00	0.00	-	-	0.00
- Mutual Funds	576.64	576.64	576.64	-	-
Derivative Contracts	0.23	0.23	-	0.23	-
<b>Sub Total</b>	<b>576.87</b>	<b>576.87</b>	<b>576.64</b>	<b>0.23</b>	<b>0.00</b>
<b>Financial Assets at fair value through Other Comprehensive Income</b>					
Investments					
- Listed Equity Instrument	399.21	399.21	399.21	-	-
- Unlisted Equity Instrument	0.06	0.06	-	-	0.06
- Bonds	6.87	6.87	6.87	-	-
- Non-convertible Debentures	24.99	24.99	24.99	-	-
- Government Securities	1.17	1.17	1.17	-	-
Derivative Contracts	0.95	0.95	-	0.95	-
<b>Sub Total</b>	<b>433.25</b>	<b>433.25</b>	<b>432.24</b>	<b>0.95</b>	<b>0.06</b>
<b>Total Financial Assets</b>	<b>2,254.90</b>	<b>2,254.90</b>	<b>1,008.88</b>	<b>1.18</b>	<b>0.06</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
<b>(2) Financial Liabilities</b>					
<b>Financial Liabilities at amortised cost</b>					
<b>Long Term Borrowings</b>					
- Debentures	550.00	556.86	-	-	556.86
- Rupee Term Loan	3,059.36	3,059.36	-	-	-
- Foreign Currency Term Loan	364.43	364.43	-	-	-
Others - Rupee Term Loan	21.79	21.79	-	-	-
Lease Liabilities	117.90	117.90	-	-	-
Short Term Borrowings (Other than current maturity of Long term Borrowings)	212.46	212.46	-	-	-
Trade Payables	761.97	761.97	-	-	-
Trade & Security Deposits	576.16	576.16	-	-	-
Amount Payable for Capital Goods	186.89	186.89	-	-	-
Interest accrued but not due on Borrowings	17.13	17.13	-	-	-
Interest accrued and due on Borrowings	1.90	1.90	-	-	-
Employees Related Liabilities	52.67	52.67	-	-	-
Other Financial Liabilities	335.04	335.04	-	-	-
<b>Sub Total</b>	<b>6,257.70</b>	<b>6,264.56</b>	-	-	<b>556.86</b>
<b>Financial Liabilities at fair value through Profit &amp; Loss</b>					
Derivative Contracts	2.27	2.27	-	2.27	-
<b>Sub Total</b>	<b>2.27</b>	<b>2.27</b>	-	<b>2.27</b>	-
<b>Financial Liabilities at fair value through Other Comprehensive Income</b>					
Derivative Contracts	1.59	1.59	-	1.59	-
<b>Sub Total</b>	<b>1.59</b>	<b>1.59</b>	-	<b>1.59</b>	-
<b>Total Financial Liabilities</b>	<b>6,261.56</b>	<b>6,268.42</b>	-	<b>3.86</b>	<b>556.86</b>

**54.4** During the year ended 31st March, 2023 and 31st March, 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

**55 Financial Risk Management**

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Board of Directors. The different types of risk impacting the fair value of financial instruments are as below:

**55.1 Credit Risk**

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits placed with banks and financial institutions and other financial instruments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 55.1.1 Trade Receivables

(₹ in Crores)

The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels. Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

#### As at 31st March, 2023

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	164.03	110.06	17.71	7.42	37.42
Expected loss rate	0%	0%	0%	0%	35.54%
Expected credit losses (Loss allowance provision)	–	–	–	–	13.30
Carrying amount of trade receivables (net of impairment)	164.03	110.06	17.71	7.42	24.12

#### As at 31st March, 2022

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	113.04	132.18	13.99	8.92	46.54
Expected loss rate	0%	0%	0%	0%	25.48%
Expected credit losses (Loss allowance provision)	–	–	–	–	11.86
Carrying amount of trade receivables (net of impairment)	113.04	132.18	13.99	8.92	34.68

#### Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2022-23	2021-22
Loss allowance as at beginning	11.86	14.86
Changes in loss allowance (Net)	1.44	(3.00)
<b>Loss allowance as at Year end</b>	<b>13.30</b>	<b>11.86</b>

There is no customer (Previous Year Nil) who represents more than 10% of the total balance of trade receivables.

### 55.1.2 Subsidies/ incentive receivable

- a) The Parent Company is entitled to receive incentive in the form of Industrial Promotional Assistance (IPA) under the West Bengal Incentive Scheme, 2000 for a period of 10 years with effect from FY 2005-06 in relation to the cement manufacturing unit– Durga Hi-Tech Cement (“DHTC”) located at Durgapur. The Parent Company has received eligibility certificate No. INC-2000/EC-386 (B) dated 30th August, 2005, from the Government of West Bengal confirming the eligibility of claim of incentive. The outstanding claim balance as on 31st March, 2023 is ₹ 138.58 Crores (after netting of provision made for processing fees of ₹ 3.53 Crores).

Aggrieved by the indefinite delay by the Government of West Bengal in disbursement of the funds, the Parent Company filed a writ petition dated 22nd September, 2017 before Hon'ble High Court of Calcutta. The Hon'ble High Court by way of Order dated 22nd September, 2022 has directed the concerned department of the State Government to dispose of the representation made by the Parent Company within six weeks from the date of the Order. Despite the direction of the Hon'ble High Court, the concerned departments of the State Government have failed to comply with the Order and hence, the Parent Company has filed a contempt petition on 13th January, 2023 before the Hon'ble High Court of Calcutta.

- b) The Parent Company is entitled to receive incentive in the form of Industrial Promotional Assistance (IPA) under The West Bengal State Support for Industries, Scheme, 2008 for a period of 8 years with effect from FY 2012-13 in relation to the cement manufacturing unit– Durgapur Cement Works (DCW) located at Durgapur. The Parent Company had received from the Government of West Bengal the eligibility certificate No. DI/2008/151(B) [39/334/Burdwan (Durgapur)/ 72(2)/1971]/Pt-II dated 1st March, 2013, confirming the eligibility of claim for incentive. In accordance with the eligibility certificate and provision of the Scheme, the total incentive accrued to the Parent Company under scheme was is ₹ 28.58 Crores (after netting of provision made for processing fees of ₹ 0.73 Crore).

Based on the Parent Company's internal assessment and the legal advice, the Parent Company is confident about the ultimate realisation of the dues from the State Government. However, as a matter of caution based on its assessment of the expected time for recovery of the incentives receivables, a provision of ₹ 32.62 Crores on account of time value of money based on the expected credit loss method has been made in the earlier years.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**55.2 Liquidity Risk**

The Group determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Group manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

**55.2.1 Maturity Analysis for financial liabilities**
**a) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2023:**

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
<b>Non-derivative</b>						
Trade payables	–	919.72	–	–	–	919.72
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2,500 9.25% NCD 2026	–	–	–	250.00	–	250.00
1,500 7.05% NCD 2024	–	–	60.00	60.00	–	120.00
1,500 5.75% NCD 2027	–	–	–	150.00	–	150.00
Rupee Term Loan (Refer Note No 22.1(b))	–	149.81	181.92	1,858.49	1,169.84	3,360.06
Foreign Currency Term Loan (Refer Note No 22.1(c))	–	58.22	40.87	295.90	51.89	446.88
Rupee Term Loan - Other (Refer Note No 22.1(d))	–	–	–	20.99	12.02	33.01
Short Term Borrowings other than current maturity of long term	2.54	18.00	–	–	–	20.54
<b>Other financial liabilities</b>						
Trade & Security Deposits*	–	–	–	20.76	584.97	605.73
Amount Payable for Capital Goods	–	121.20	–	–	–	121.20
Lease Liabilities	–	1.43	4.67	31.22	75.29	112.61
Interest accrued but not due on Borrowings	–	15.68	2.50	–	–	18.18
Employees Related Liabilities	–	52.79	–	–	–	52.79
Others Financial Liabilities	1.35	363.56	–	9.63	–	374.54
<b>Total</b>	<b>3.89</b>	<b>1,700.41</b>	<b>289.96</b>	<b>2,696.99</b>	<b>1,894.01</b>	<b>6,585.26</b>
<b>Derivative</b>						
Foreign Exchange forwards contracts and other Derivative Instruments	–	2.52	1.04	6.66	0.26	10.48

\* Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2022:

(₹ in Crores)

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
<b>Non-derivative</b>						
Trade payables	-	761.97	-	-	-	761.97
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	-	-	-	250.00	-	250.00
1500 7.05% NCD 2024	-	-	30.00	120.00	-	150.00
1,500 5.75% NCD 2027	-	-	-	150.00	-	150.00
Rupee Term Loan (Refer Note No 22.1(b))	-	65.23	71.25	1,595.49	1,341.47	3,073.44
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	-	19.25	19.25	273.41	52.51	364.42
Rupee Term Loan - Other (Refer Note No 22.1(d))	-	-	-	11.91	21.10	33.01
Short Term Borrowings other than current maturity of long term borrowings	2.46	210.00	-	-	-	212.46
<b>Other financial liabilities</b>						
Trade & Security Deposits*	-	-	-	15.87	560.29	576.16
Amount Payable for Capital Goods	-	115.66	71.23	-	-	186.89
Lease Liabilities	-	1.23	4.20	25.80	86.67	117.90
Interest accrued but not due on Borrowings	-	14.01	3.12	-	-	17.13
Interest accrued and due on Borrowings	-	1.90	-	-	-	1.90
Employees related Liabilities	-	52.67	-	-	-	52.67
Others Financial Liabilities	1.41	218.22	107.45	7.96	-	335.04
<b>Total</b>	<b>3.87</b>	<b>1,460.14</b>	<b>306.50</b>	<b>2,450.44</b>	<b>2,062.04</b>	<b>6,282.99</b>
<b>Derivative</b>						
Foreign Exchange forwards contracts and other Derivative Instruments	-	0.44	0.07	3.03	0.32	3.86

\* Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

c) The amounts are gross and undiscounted (except for lease liability) and exclude the impact of netting agreements (if any). The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

**55.3 Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

**55.3.1 Commodity Price Risk**

The Group primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

**55.3.2 Foreign Currency Risk**

The Group has Foreign Currency Exchange Risk on imports of input materials, capital equipments and also borrows funds in foreign currency for its business. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

**a) Exposure to currency risk**

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

**1) Unhedged Foreign Currency Exposure**

Particulars	As at 31st March, 2023					
	USD	INR	EUR	INR	GBP	INR
<b>Financial Assets</b>						
Trade Receivables	-	-	-	-	0.00	0.13
Other Receivables	0.01	0.79	-	-	-	-
<b>Financial Liabilities</b>						
Foreign Currency Term Loan	-	-	-	-	-	-
Trade Payables & Others	0.00	0.05	0.00	0.13	0.00	0.21
<b>Net Exposure-Liability</b>	<b>(0.01)</b>	<b>(0.74)</b>	<b>0.00</b>	<b>0.13</b>	<b>0.00</b>	<b>0.08</b>

Particulars	As at 31st March, 2022					
	USD	INR	EUR	INR	GBP	INR
<b>Financial Assets</b>						
Trade Receivables	-	-	0.01	0.46	-	-
<b>Financial Liabilities</b>						
Foreign Currency Term Loan	0.60	45.24	-	-	-	-
Trade Payables & Others	0.00	0.07	0.05	4.45	0.00	0.07
<b>Net Exposure-Liability</b>	<b>0.60</b>	<b>45.31</b>	<b>0.04</b>	<b>3.99</b>	<b>0.00</b>	<b>0.07</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### II) Hedge Foreign Currency Exposure

(₹ in Crores)

Particulars	As at 31st March, 2023					
	USD	INR	EUR	INR	SGD	INR
<b>Derivative Assets</b>						
Forward Contract against Trade Receivable	0.10	7.85	-	-	-	-
Forward Contract against Firm Commitments	0.26	21.46	-	-	-	-
<b>Derivative Liabilities</b>						
Forward Contract - Against Payable	1.45	119.30	-	-	-	-
Cross Currency Swaps Contract - Against Payable (Refer Note (b) below)	2.27	186.65	-	-	2.30	142.12
Forward Contract - Against Firm Commitments	1.08	88.38	-	-	-	-
<b>Net Exposure-Liability</b>	<b>4.44</b>	<b>365.02</b>	-	-	<b>2.30</b>	<b>142.12</b>

Particulars	As at 31st March, 2022					
	USD	INR	EUR	INR	JPY	INR
<b>Derivative Assets</b>						
Forward Contract against Trade Receivable	0.13	9.90	-	-	-	-
Forward Contract against Firm Commitments	0.22	16.68	-	-	-	-
<b>Derivative Liabilities</b>						
Forward Contract - Against Payable	-	-	-	-	-	-
Cross Currency Swaps Contract - Against Payable (Refer Note (b) below)	2.27	172.27	-	-	2.58	146.95
Forward Contract - Against Firm Commitments	1.81	137.19	0.08	7.02	-	-
<b>Net Exposure-Liability</b>	<b>3.73</b>	<b>282.88</b>	<b>0.08</b>	<b>7.02</b>	<b>2.58</b>	<b>146.95</b>

b) The Parent Company uses Cross Currency Swaps to hedge foreign exchange and Interest rate of External Commercial Borrowings of SGD 2.30 Crores (Previous Year SGD 2.58 Crores) and Subsidiary Company uses Cross Currency Swaps to hedge foreign exchange and Interest rate of External Commercial Borrowings of USD 2.27 Crores (Previous Year USD 2.27 Crores).

### c) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure. The following table demonstrates the sensitivity in the USD, EUR, CHF and GBP to the Indian Rupee with all other variables held constant.

Particulars	31st March, 2023				31st March, 2022		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On		
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity	
USD Sensitivity Increase	5%	0.04	0.02	5%	(2.27)	(1.47)	
USD Sensitivity Decrease	5%	(0.04)	(0.02)	5%	2.27	1.47	
EUR Sensitivity Increase	5%	(0.01)	(0.00)	5%	(0.20)	(0.13)	
EUR Sensitivity Decrease	5%	0.01	0.00	5%	0.20	0.13	

Sensitivity analysis for GBP are being insignificant, hence ignored.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**55.3.3 Interest Rate Risk**

(₹ in Crores)

The Group is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Group is also exposed to interest rate risk on surplus funds parked in fixed deposits and investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

**a) Exposure to Interest Rate Risk**

Particulars	31st March, 2023	31st March, 2022
<b>Fixed Rate Instruments</b>		
Financial Assets	-	-
Financial Liabilities	328.94	319.19
	<b>328.94</b>	<b>319.19</b>
<b>Variable Rate Instruments</b>		
Financial Assets	-	-
Financial Liabilities ^	3,998.34	3,668.67
	<b>3,998.34</b>	<b>3,668.67</b>

^ Includes liabilities originally taken as fixed rate instruments but later on converted into variable rate instruments as the Group entered into various swaps (derivative contract).

**b) Interest Rate Sensitivity**

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity:

Particulars	31st March, 2023			31st March, 2022		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Interest Rate Increase by	0.50%	(19.99)	(13.01)	0.50%	(18.34)	(11.93)
Interest Rate Decrease by	0.50%	19.99	13.01	0.50%	18.34	11.93

**55.3.4 Other Price Risk**

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Group, fluctuation in their prices are considered acceptable and do not warrant any management.

**a) Exposure to other market price risk**

Particulars	31st March, 2023	31st March, 2022
Investment in Equity Instruments	388.31	399.21
Investment in Mutual Funds	373.77	576.64
Investment In Bonds and Non-convertible Debentures	89.78	31.86
Investment in Government Securities	1.13	1.17
	<b>852.99</b>	<b>1,008.88</b>

**b) Sensitivity Analysis**

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2023			31st March, 2022		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Market rate Increase	5%	42.65	27.75	5%	50.44	32.82
Market rate Decrease	5%	(42.65)	(27.75)	5%	(50.44)	(32.82)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### 55.4 Hedge Accounting - Cash Flow Hedges

The objective of cross currency swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Group also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from borrowings, other debt and forecasted purchases/sales. Some of the forward contracts are designated as cash flow hedges. The Group is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps and some foreign currency forward contracts based on qualitative approach. The Group is having risk management objectives and strategies for undertaking these hedge transactions. The Group has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Group assesses hedge effectiveness based on following criteria:

- i. An economic relationship between the hedged item and the hedging instrument
- ii. The effect of credit risk
- iii. Assessment of the hedge ratio

The Parent Company designates cross currency swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

#### 55.4.1 Disclosure of effects of hedge accounting on financial position as at 31st March, 2023:

Type of hedge and risks	Nominal value Assets / (Liabilities)	Carrying amount of hedging instrument Assets / (Liabilities)	Maturity date	Changes in fair value Gain / (loss) of hedging instrument since inception of hedge	Changes in the fair value Gain / (loss) of hedged item used as the basis for recognising hedge effectiveness
<b>Cash flow hedge</b>					
Foreign currency loan					
- Cross Currency Swap (SGD 2.30 Crores) Refer Note No. 22.1 (g)(i)	(142.12)	11.51	June '23 to June '26	11.51	(15.94)
- Forward Contract (USD 1.14 Crores) Refer Note No. 22.1 (g)(ii)	(93.41)	(0.83)	June '23 to September '23	(0.83)	0.52
- Cross Currency Swap (USD 2.27 Crores) Refer Note No. 22.1 (g)(iii)	(186.82)	8.36	June '23 to December '28	8.36	(16.82)
<b>Total</b>	<b>(422.35)</b>	<b>19.04</b>		<b>19.04</b>	<b>(32.24)</b>

#### Disclosure of effects of hedge accounting on financial position as at 31st March, 2022:

Type of hedge and risks	Nominal value Assets / (Liabilities)	Carrying amount of hedging instrument Assets / (Liabilities)	Maturity date	Changes in fair value Gain / (loss) of hedging instrument since inception of hedge	Changes in the fair value Gain / (loss) of hedged item used as the basis for recognising hedge effectiveness
<b>Cash flow hedge</b>					
Foreign currency loan					
- Cross Currency Swap (SGD 2.58 Crores) Refer Note No. 22.1 (g)(i)	(146.94)	(1.22)	June '22 to June '26	(1.22)	(5.46)
- Cross Currency Swap (USD 2.27 Crores) Refer Note No. 22.1 (g)(ii)	(172.24)	(1.58)	February '22 to December '28	(1.58)	(2.24)
<b>Total</b>	<b>(319.18)</b>	<b>(2.80)</b>		<b>(2.80)</b>	<b>(7.70)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**55.4.2 The movement of effective portion of Cash Flow Hedges are shown below:**

(₹ in Crores)

Particulars	31st March, 2023	31st March, 2022
<b>Opening Balance</b>	<b>(7.20)</b>	<b>(6.24)</b>
Gain/(loss) recognized on cash flow hedges	(2.71)	(0.91)
Income tax relating to gain/(loss) recognized on cash flow hedges	0.47	(0.05)
Reclassified to Statement of Profit and Loss	-	-
Income tax relating to Reclassified to Statement of Profit and Loss	-	-
<b>Closing Balance</b>	<b>(9.44)</b>	<b>(7.20)</b>

**55.4.3 Foreign Currency Forward Contracts and Overnight Index Swaps**

The Group enters into forward contracts with intention to reduce the foreign exchange risk of expected purchases and enters into overnight index swap to manage interest cost on fixed rate borrowings. Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year. Similarly, the overnight index swaps are also not designated as cash flow hedges. The fair value of foreign currency forward contracts and overnight index swaps are as under:

Particulars	31st March, 2023		31st March, 2022	
	Assets	Liability	Assets	Liability
Foreign Currency Forward Contracts	0.38	0.15	0.23	(0.57)
Overnight Index Swaps	0.35	9.50	-	0.68

**56 Capital Management**

The Group's objective to manage its Capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of Capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of Capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. The Group monitors Capital using Gearing Ratio which is Net Debt (total borrowings less current investments, cash and cash equivalents and other bank balances) divided by Total Equity plus Net Debt.

Particulars	31st March, 2023	31st March, 2022
Gearing Ratio	0.38	0.36

**57 Government grants during the year comprising Incentive and Subsidies include:**

- 57.1** Tax incentive for capital investments under various State Investment Promotion Schemes of ₹ 174.66 Crores (Previous Year ₹ 149.97 Crores). Out of this ₹ 32.11 Crores (Previous Year ₹ NIL) shown as a exceptional item in Statement of Profit and Loss.
- 57.2** Amortisation of the deferred revenue of ₹ 1.90 Crores (Previous Year ₹ 1.27 Crores) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.
- 57.3** Amortisation of the deferred revenue of ₹ 0.23 Crore (Previous Year ₹ 0.42 Crore) on account of Investment in Plant & Machineries under various State Investment Promotion Schemes.
- 57.4** Renewable Energy Certificates for generation of power from solar power plant under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 of ₹ 0.42 Crore (Previous Year ₹ 0.42 Crore).
- 57.5** The Parent Company has also recognised income from export benefits of ₹ 2.65 Crores (Previous Year ₹ 2.61 Crores).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 58 Additional regulatory information required by Schedule III of Companies Act, 2013

(₹ in Crores)

#### 58.1 Struck off Companies

- (a) Details of relationships and transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31st March, 2023	Balance outstanding as at 31st March, 2022	Relationship with the Struck off company
Maharaja Agency Private Limited	Receivables	0.82	0.82	Vendor
Maharaja Agency Private Limited	Payables	0.05	0.05	Vendor
Surface Commercial Private Limited	Payables	0.01	0.01	Vendor
Mahesh Carriers Private Limited	Payables	0.01	0.01	Vendor
A and S Advertising Private Limited	Payables	0.00	0.00	Vendor
Wollmine India Private Limited	Payables	0.01	0.01	Vendor
Vsk Logistics Private Limited	Payables	-	0.08	Vendor
Silex Hotels and Restuarants Private Limited	Payables	-	0.00	Vendor
Sheiban Systems Private Limited	Payables	-	0.02	Vendor
Pro Trainer India Private Limited	Payables	-	0.00	Customer

- (b) Details of Stuck off entities holding equity shares in the Company:

Name of struck off Company	As at 31st March, 2023		As at 31st March, 2022		Relationship with the Struck off company
	No. of Shares Held	Paid-up value in (₹)	No. of Shares Held	Paid-up value in (₹)	
A.S. Moloobhoy Marine Services Private Limited	100	1000	100	1000	Shareholder
Mangal & Co Private. Limited	6	60	6	60	Shareholder
RBG Investment and Finance Limited	50	500	50	500	Shareholder

#### 58.2 Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

#### 58.3 Loans or Advances to Promoters, Directors, KMPs and the related parties

The Group has not given any loan or advance in the nature of loan to promoters, directors, KMPs and the related parties (as defined under the Act), either severally or jointly with any other person during the year ended 31st March, 2023 and the year ended 31st March, 2022 except as disclosed in Note No. 11.

#### 58.4 Utilisation of Borrowed Funds and Share Premium

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities including foreign entities (intermediaries) with the understanding that the Intermediaries shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or provided any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provided any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Crores)

59. During the previous year the Subsidiary Company (RCCPL Private Limited) had acquired 100% of the issued capital of AAA Resources Private Limited. Accordingly, AAA Resources Private Limited became subsidiary of the RCCPL Private Limited and step down subsidiary of the Parent Company effective 2nd July, 2021 on satisfactory completion of the closing conditions under the Share purchase Agreement ('SPA') and has been consolidated with effect from that date.

Further, in the previous year the Subsidiary Company had acquired 100% equity share capital of Utility Infrastructure & Works Private Limited. Accordingly, Utility Infrastructure & Works Private Limited became a wholly owned subsidiary of the RCCPL Private Limited and step down subsidiary of the Parent Company w.e.f. 31st March 2022.

Purchase consideration	AAA Resources Private Limited	Utility Infrastructure & Works Private Limited
Number of Equity share issued	10,000	6,94,000
Total Purchase consideration**	0.01	0.10
Fair Value of Net identifiable assets acquired	0.79	-
Capital Reserve/ (Goodwill)	0.78	(0.10)*

\* Goodwill has been written off during the previous year.

\*\* After acquisition, further investment of ₹ 12.05 Crores in 7,30,000 equity shares of AAA Resources Private Limited had also been made during the previous year.

**60. Segment Reporting**
**A) Primary Segment Information**

Particulars	2022-23				2021-22			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
<b>Business Segment</b>								
<b>Segment Revenue</b>								
(a) External Sales	8,243.45	436.60	2.22	8,682.27	7,053.00	407.60	0.62	7,461.22
(b) Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	-	7.23	8.29
<b>Total</b>	<b>8,244.89</b>	<b>436.61</b>	<b>7.86</b>	<b>8,689.36</b>	<b>7,054.06</b>	<b>407.60</b>	<b>7.85</b>	<b>7,469.51</b>
Less : Inter Segment Revenue	1.44	0.01	5.64	7.09	1.06	-	7.23	8.29
<b>Revenue from Operations</b>	<b>8,243.45</b>	<b>436.60</b>	<b>2.22</b>	<b>8,682.27</b>	<b>7,053.00</b>	<b>407.60</b>	<b>0.62</b>	<b>7,461.22</b>
<b>Segment Result</b>	<b>349.12</b>	<b>25.79</b>	<b>(2.41)</b>	<b>372.50</b>	<b>720.47</b>	<b>44.17</b>	<b>(2.99)</b>	<b>761.65</b>
<b>Add:</b>								
(i) Interest Income				10.11				18.46
(ii) Unallocated Income net of unallocated Expense				(0.78)				0.30
<b>Less:</b>								
(i) Interest Expense				338.72				242.66
<b>Profit before Tax</b>				<b>43.11</b>				<b>537.75</b>
Tax Expense								
Current Tax				10.03				77.09
Deferred Tax				1.38				62.98
Income Tax for earlier years				(8.80)				(0.91)
<b>Profit after tax</b>				<b>40.50</b>				<b>398.59</b>
<b>Other Information</b>								
<b>Segment Assets</b>	11,544.91	1,105.33	134.00	12,784.24	11,239.81	1,075.16	165.78	12,480.75
Unallocated assets				1,287.75				1,371.79
<b>Total Assets</b>				<b>14,071.99</b>				<b>13,852.54</b>
<b>Segment Liabilities</b>	2,012.20	12.16	2.53	2,026.89	1,924.44	16.05	2.33	1,942.82
Unallocated liabilities				6,064.26				5,860.83
<b>Total Liabilities</b>				<b>8,091.15</b>				<b>7,803.65</b>
<b>Segment Capital Expenditure</b>	598.72	13.17	-	611.89	894.66	5.56	-	900.22
Common Capital Expenditure				6.00				11.47
<b>Total Capital Expenditure</b>				<b>617.89</b>				<b>911.69</b>
<b>Segment Depreciation</b>	497.37	6.10	0.77	504.24	384.16	6.97	0.81	391.94
Common Depreciation				5.64				5.00
<b>Total Depreciation</b>				<b>509.88</b>				<b>396.94</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Crores)

### B) Secondary (Geographical) Segment Information

Geographical segment is identified as the secondary segment and details are given below:

Particulars	2022-23	2021-22
1. Revenue from external customers		
– Within India	8,601.69	7,386.78
– Outside India	80.58	74.44
<b>Total</b>	<b>8,682.27</b>	<b>7,461.22</b>

2. The Group does not have any tangible, intangible assets and non current operating assets located outside India.

3. During the year as well as previous year, No customer contributed 10% or more to the Group's revenue from operations.

### C) Other Disclosures

The Group's operations predominantly relate to Cement and other products are Jute Goods, Auto Trims and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in the consolidated financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit

The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

## 61. Related Party Disclosures

### 61.1 Related parties with whom transactions have taken place during the year and previous year are:

61.1.1 Nature	Name of the Company
Entities exercising significant influence over the Group	Vindhya Telelinks Limited
	August Agents Limited
	Insilco Agents Limited
	Laneseda Agents Limited

61.1.2 Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Sandip Ghose	Wholetime Director (appointed w.e.f. 1st December, 2022 to 31st December, 2022) Managing Director and Chief Executive Officer (appointed w.e.f. 1st January, 2023)
	Mr. Arvind Pathak	Managing Director and Chief Executive officer (Ceased to be MD and CEO w.e.f. 1st January, 2023 as a result of his resignation)
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor (Ceased to be WTD w.e.f. 20th May, 2021 as result of his resignation from Directorship)
	Mr. Vikram Swarup	Directors
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon (ceased to be the Director w.e.f. 12th May, 2022 as a result of his resignation)	
	Mr. Dhruva Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
Mr. Dilip Ganesh Karnik		

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**

61.1.3 Nature	Name of the Trust/Fund
Post employment benefit plan Trust	Satna Cement Works Employees' Provident Fund
	Soorah Jute Mills Employees' Provident Fund Trust
	M P Birla Group Provident Fund Institution
	Birla Cement Works Staff Provident Fund
	Birla Jute Mills Workers' Provident Fund Trust
	Durgapur Cement Works Employees' Provident Fund
	Birla Corporation Limited, Employees Gratuity Fund
	Birla DLW Ltd. Employees Gratuity Fund
	Birla Corporation Superannuation Fund

61.1.4 Nature	Name	Relations
Close members of the family of a Key Management Personnel (KMP)	Ms. Radhika Bordia	Daughter of Mr. Anand Bordia (Director)
	Ms. Devika Bordia	Daughter of Mr. Anand Bordia (Director)

**61.2 Transactions during the year** (₹ in Crores)

Particulars	2022-23				2021-22			
	Entities exercising significant influence over the Parent Company	Key Management Personnel	Post employment benefit plan Trust	Close members of the family of a KMP	Entities exercising significant influence over the Parent Company	Key Management Personnel	Post employment benefit plan Trust	Close members of the family of a KMP
Sales of goods/ services provided - Vindhya Telelinks Limited	0.64	-	-	-	0.11	-	-	-
Purchase of goods/ services received - Vindhya Telelinks Limited	1.28	-	-	-	2.73	-	-	-
Payment of rent	-	-	-	0.06	-	-	-	0.06
Receipt of rent - Vindhya Telelinks Limited	0.06	-	-	-	0.06	-	-	-
Paid to Trust-Employees Provident Fund Contribution	-	-	8.90	-	-	-	7.84	-
Paid to Trust-Employees Gratuity Fund Contribution	-	-	1.50	-	-	-	6.00	-
Paid to Trust-Employees Superannuation Fund Contribution	-	-	2.46	-	-	-	2.55	-
Remuneration, Perquisites & Others (Refer Note No. 61.2.1)	-	7.13	-	-	-	6.14	-	-
Dividend Paid								
- Vindhya Telelinks Limited	6.38	-	-	-	6.38	-	-	-
- August Agents Limited	6.02	-	-	-	6.02	-	-	-
- Insilco Agents Limited	6.00	-	-	-	6.00	-	-	-
- Laneseda Agents Limited	5.99	-	-	-	5.99	-	-	-
Dividend Received	0.00	-	-	-	0.00	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

### 61.2.1 Key Management Personnel compensation

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Short-Term Employee Benefits (Refer Note No. 64)	5.31	4.37
Post-Employment Benefits (Refer Note No. 64)	0.19	0.14
Director's Sitting Fees	0.95	0.85
Director's Commission	0.68	0.78
<b>Total Compensation</b>	<b>7.13</b>	<b>6.14</b>

The above does not include Gratuity and Leave encashment benefits since the same is computed actuarially for all employees and the amount attributable to the managerial person cannot be ascertained separately.

### 61.3 Balance Outstanding as at the balance sheet date

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Trade Payables</b>		
Entities exercising significant influence over the Group	0.45	0.34
<b>Provision for Employees benefit</b>		
Post employment benefit plan Trust	0.74	0.68
<b>Trade Receivables</b>		
Entities exercising significant influence over the Group	–	0.00
<b>Other Receivables</b>		
Post Employment Benefit Plan Trust	2.47	5.94
Entities exercising significant influence over the Company	0.01	–
<b>Advances Given / Security Deposited</b>		
Close members of the family of a KMP	0.03	0.03
<b>Short-term employee benefits</b>		
Key Management Personnel	1.19	1.19

### 61.4 Terms and Conditions of transactions with Related Parties:

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances given to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Group has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**
**62. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:**

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share of Profit for the year		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	(₹ in Crores)	As % of Consolidated Profit for the year	(₹ in Crores)	As % of Consolidated Other Comprehensive Income	(₹ in Crores)	As % of Total Comprehensive Income	(₹ in Crores)
<b>Parent</b>								
Birla Corporation Limited	85.91	5,138.24	112.10	45.40	80.18	(25.29)	224.45	20.11
<b>Subsidiaries</b>								
<b>Indian</b>								
1. Birla Jute Supply Company Limited	0.04	2.31	0.10	0.04	0.00	(0.00)	0.45	0.04
2. Talavadi Cements Limited	0.16	9.45	0.64	0.26	-	-	2.90	0.26
3. Lok Cement Limited	0.01	0.57	0.02	0.01	-	-	0.11	0.01
4. Budge Budge Floorcoverings Limited	0.03	1.83	0.05	0.02	0.03	(0.01)	0.11	0.01
5. M.P. Birla Group Services Private Limited	0.00	0.05	(0.01)	(0.00)	-	-	(0.03)	(0.00)
6. Birla Cement (Assam) Limited	0.00	0.03	(0.00)	(0.00)	-	-	(0.01)	(0.00)
7. RCCPL Private Limited	52.02	3,111.13	(10.79)	(4.37)	19.79	(6.24)	(118.42)	(10.61)
<b>Stepdown Subsidiaries</b>								
<b>Indian</b>								
AAA Resources Private Limited	0.21	12.85	0.02	0.01	-	-	0.11	0.01
Utility Infrastructure & Works Private Limited	(0.00)	(0.01)	(0.02)	(0.01)	-	-	(0.11)	(0.01)
<b>Minority Interest in all subsidiaries</b>	(0.00)	(0.04)	(0.00)	(0.00)	-	-	(0.01)	(0.00)
<b>Consolidation adjustments</b>	(38.38)	(2,295.61)	(2.11)	(0.86)	-	-	(9.55)	(0.86)
<b>Total</b>	<b>100.00</b>	<b>5,980.80</b>	<b>100.00</b>	<b>40.50</b>	<b>100.00</b>	<b>(31.54)</b>	<b>100.00</b>	<b>8.96</b>

63. The Group had investment in AMP Solar Clean Power Private Limited ('AMP') by way of purchase of 8,49,821 fully paid up equity shares having face value of ₹ 10 each, amounting of ₹ 0.85 Crore (26% holding in AMP) and in 76,484 compulsorily convertible debentures having face value of ₹ 1000 each, amounting of ₹ 7.65 Crores under Share Purchase, Subscription and Shareholders Agreement. Further, the Group had entered into a long term power purchase agreement ('PPA') with the AMP which is engaged in the business of generating and sale of solar power. The PPA has a lock-in period of 15 years wherein the Group is required to purchase the entire contracted power capacity from the said plant.

The investment in equity shares in AMP is 26%. Considering the substance of the transactions, in the opinion of the management, it is not considered as a related party under Ind AS 24/28. Accordingly, the investment in equity shares and compulsorily convertible debentures is recognized at amortised cost under "Deposits" at ₹ 1.44 Crores as per the provision of Ind AS 109 and the difference between amortised cost and investment value of ₹ 7.06 Crores is considered for valuation of "Right of Use Assets- Plant and Machinery".

Taking into consideration the terms and conditions of PPA, it was considered that the arrangement in respect of long term power purchase agreement satisfies all the conditions of the lease as per IND AS 116. Consequently, Right of Use Assets and Lease Liabilities was recognized.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023

64. Managerial Remuneration paid to two Non-Promoter Wholetime / Managing Directors of the Parent Company for the year ended 31st March, 2023, exceeded the permissible limits as prescribed under section 197 read with Schedule – V of the Companies Act, 2013 by ₹ 1.53 Crores. The Parent Company is in the process of obtaining necessary approval from its shareholders at the forthcoming Annual General Meeting for such excess remuneration paid or provided.
65. The Code on Social Security, 2020 which received the President’s assent on 28th September 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions.
66. Previous year figures have been regrouped/rearranged/reclassified wherever necessary. Further, there are no material regroupings/reclassifications during the year.

As per our annexed Report of even date

For **V. SANKAR AIYAR & CO.**

Chartered Accountants

Firm Registration No. 109208W

M. S. BALACHANDRAN

Partner

Membership No. 024282

Kolkata

Date: 9th May, 2023

**For and on behalf of the Board of Directors**

ADITYA SARAOGI  
Chief Financial Officer

MANOJ KUMAR MEHTA  
Company Secretary  
& Legal Head

HARSH V. LODHA  
Chairman  
(DIN : 00394094)

SANDIP GHOSE  
Managing Director  
& Chief Executive Officer  
(DIN: 08526143)







# BIRLA CORPORATION LIMITED

CIN-L01132WB1919PLC003334

Registered Office : 'Birla Building', 9/1, R.N. Mukherjee Road, Kolkata- 700 001.

E-mail: [investorsgrievance@birlacorp.com](mailto:investorsgrievance@birlacorp.com); Website: [www.birlacorporation.com](http://www.birlacorporation.com)

Phone: (033) 6616 6729/6737

## ATTENDANCE SLIP

Name and Address of the Shareholder(s)

DP ID No./Client ID No./Folio No.:

No. of Shares :

Full Name of the Member/  
Proxy attending the meeting

I hereby record my presence at the 103rd Annual General Meeting of the Company being held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata- 700 026 on **Tuesday, the 5th day of September, 2023 at 10.30 a.m.**

Signature of the attending Member/Proxy

- Notes :**
1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance, duly signed.
  2. Shareholder/Proxyholder is requested to bring their copies of the Annual Report with them to the Meeting.



# BIRLA CORPORATION LIMITED

## ELECTRONIC VOTING

The Company is providing electronic voting (e-voting) facility for the Resolutions contained in the Notice convening the 103rd Annual General Meeting on Tuesday, the 5th day of September, 2023. The procedure for e-voting has been mentioned in the aforesaid Notice. Your User ID and Password for e-voting purposes are given below:

Electronic Voting Sequence Number (EVSN)	User ID	Password



# BIRLA CORPORATION LIMITED

CIN-L01132WB1919PLC003334

Registered Office : 'Birla Building', 9/1, R.N. Mukherjee Road, Kolkata- 700 001.

E-mail: investorsgrievance@birlacorp.com; Website: www.birlacorporation.com

Phone: (033) 6616 6729/6737

## 103RD ANNUAL GENERAL MEETING

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No. :

DP ID No. /Client ID No.\* :

\* Applicable for investors holding shares in electronic form.

I/We being the Member(s) of ..... shares of Birla Corporation Limited, hereby appoint :

(1) Name : ..... Address : .....

E-mail ID : ..... Signature : ....., or failing him / her

(2) Name : ..... Address : .....

E-mail ID : ..... Signature : ....., or failing him / her

(3) Name : ..... Address : .....

E-mail ID : ..... Signature : .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 103rd Annual General Meeting of the Company to be held on **Tuesday, the 5th day of September, 2023 at 10.30 a.m.** at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata- 700 026 and at any adjournment thereof in favour of/ against the Resolution(s) as are indicated below:

Resolution No.	Description
<b>Ordinary Business:</b>	
01.	Consider and adopt: (a) Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Reports of the Board of the Directors and Auditors thereon; and (b) Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Report of the Auditors thereon (Ordinary Resolution).
02.	Declaration of Dividend on Ordinary Shares of the Company for the financial year ended 31st March, 2023 (Ordinary Resolution).
03.	Re-appointment of Shri Dilip Ganesh Karnik (DIN:06419513), Director of the Company, who retires by rotation (Ordinary Resolution).
<b>Special Business:</b>	
04.	Approval for waiver of recovery of the excess remuneration paid/payable to Shri Arvind Pathak (DIN:00585588), erstwhile Managing Director & Chief Executive Officer of the Company for the period from 1st April, 2022 till 31st December, 2022 (Special Resolution).
05.	Approval for waiver of recovery of the excess remuneration paid/payable to Shri Sandip Ghose (DIN:08526143), Managing Director & Chief Executive Officer of the Company for the period from 1st December, 2022 till 31st March, 2023 (Special Resolution).
06.	Ratification of Remuneration of the Cost Auditors of the Company (Ordinary Resolution)
07.	Approval of fees for service of any document(s) to the Member(s) requested through a particular mode (Ordinary Resolution).

Signed this ..... day of ..... 2023

Signature of Shareholder(s) .....

Signature of Proxyholder(s) .....

Affix  
Revenue  
Stamp

#### Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) For the Resolutions, Statement pursuant to Section 102 of the Companies Act, 2013 and Notes, please refer to the Notice of the 103rd Annual General Meeting.
- (3) Please complete all details including details of member (s) in the above box before submission.

Printed By: Calcutta Machinery Pvt. Ltd. 08/23





**BIRLA  
CORPORATION  
LIMITED**

[www.birlacorporation.com](http://www.birlacorporation.com)