INDEPENDENT AUDITOR'S REPORT

To
The Members,

Nuvoco Vistas Corporation Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Nuvoco Vistas Corporation Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 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 consideration of reports on separate financial statements and on the other financial information of subsidiary being audited by us and unaudited accounts of joint venture being furnished by the management, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its joint venture at March 31,2023, of consolidated profit, and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards 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, and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. 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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	Recognition, Measurement and Presentation of Litigations, Claims receivable and Contingent Liabilities: a) Claim receivable under the Industrial Promotional Assistance scheme related to Mejia Cement Plant and Panagarh Cement Plant: The Group has an outstanding litigation with respect to Claims receivable from Government of West Bengal under the West Bengal Incentive Scheme 2004 and West Bengal Incentive Scheme 2013, respectively. Outstanding claim receivable as at March 31, 2023 amounts to ₹ 727.61 Crores (Gross) In current year, considering the lapse of time and uncertainty about the timing of the recovery of incentive amount, the Group on a conservative basis has recorded a provision for time value of money amounting to ₹ 405.80 crores determined on the basis of Expected Credit Loss methodology as per Ind AS 109 'Financial Instrument'. [Refer note no. 64 of the Consolidated financial statements.] b) Contingent liabilities and other litigations: The Group operates in multiple jurisdictions, exposing it to a variety of different laws, regulations, and interpretations thereof. In such an environment, there is an inherent risk of litigation.	Our audit procedures in respect of this area included but not limited to the following: 1. Understood the process, evaluated the design and implementation of controls and tested the operating effectiveness of the Group's controls over the approval, recording and re-assessment of uncertain legal positions, litigations, claims and contingent liabilities. 2. Obtained an understanding of the nature of litigations pending against the Group by reading the minutes of the meetings of Board of Directors and discussing the developments during the year for key litigations with Head of Legal and Compliance and with other Senior Management personnel. 3. Verified the completeness of the litigations and claims by examining, on a test check basis, the Group's legal expenses. 4. Evaluated management's assessment of determination of provision for time value of money determined on the basis of expected credit loss methodology, evaluated the reasonableness of expected credit loss amount and assessed whether the requirements of applicable accounting principles have been complied. 5. Involved our internal tax experts to challenge the Management judgement and rationale with respect to tax provisions not made in the books of account or disclosed as contingent liability or cases where outflow of resources is remote and do not warrant any disclosure.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	Further, the Group has disclosed significant open legal cases with respect to Competition Appellate Tribunal (COMPAT) [Refer Note 50(iv) to the Consolidated financial statements] and other material contingent liabilities [Refer Note 50 to the Consolidated financial statements]. Given the complexity and magnitude of potential exposures to the Group, the assessment of the existence of legal or constructive obligation and analysis of the probability of the related outflow of resources involves significant judgement by the management. Due to the level of judgement and uncertainty involved in assessing and estimating the amounts of fiscal incentive receivable, the amount of provisions to be recognised towards contingent claims and the related disclosure of contingent liabilities required as per relevant standards, this is considered to be a key audit matter.	6. Read the correspondence from Court authorities and considered legal opinion obtained by the Management from external law firms to evaluate the basis for recognition of fiscal incentives receivable and the basis for recognising expected credit loss towards the claims in the Consolidated financial statements. We also tested the independence, objectivity and competence of such management experts involved. 7. Obtained direct legal confirmations for significant matters from the law firms handling such matters to corroborate management's conclusions. 8. We also considered the adequacy and completeness of the Group's disclosures made in relation to litigations, claims receivable and contingent liabilities as per applicable accounting standards.
2	Revenue Recognition: Discounts and Rebates: Refer to the disclosures related to Revenue recognition in Note 40 to the Consolidated financial statements. The Group records revenue net of such discounts and rebates as required under Ind AS 115- Revenue from contracts with customers. The Group sells cement in various states through its dealers. The Group gives various types of discounts and rebates to these dealers through various scheme based on the market conditions and competition. Due to the Group's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and rebates to be recognised based on sales made during the year is material and considered to be judgmental and involve significant estimation by the management, therefore this is considered to be a key audit matter.	Our audit procedures, in respect of this matter included but not limited to the following: 1. Verified whether accounting policy adopted by the Group is in accordance with Ind AS 115 - Revenue from contracts with customers. 2. Performed procedures to understand the process and assess the design and implementation of and tested the operating effectiveness of the controls on test check basis related to the calculation, approval, recording and payments of rebates and discounts and the estimates for the year end provisions in accordance with the discount schemes approved by the Head of Department. 3. Re-calculated the discounts and rebates for certain schemes on test check basis to verify the estimated amount computed by the management. 4. Verified on test check basis, the subsequent payments made against the year-end provision and also verified the actual payments made against the previous year provision to test the reasonableness of the management estimation process. 5. Verified any reversal/ utilisation of discounts and rebates during the year and analysed the rationale for the same to check the appropriateness of provisions. 6. Verified on a test check basis, manual journal entries posted to revenue to identify unusual items and examining the underlying documentation. 7. Verified the ageing for the discount payables under the schemes outstanding at the year end. 8. Evaluated the appropriateness of the disclosures made in the financial statement in relation to rebates and discounts as required by applicable accounting standards.
3	Ready Mix Cash Generating Unit (RMX 'CGU') Goodwill annual impairment assessment: The Group carries goodwill related to Ready Mix Cash Generating Unit ('RMX' CGU) in its Consolidated balance sheet as at March 31, 2023. (Refer Note 5 of the Consolidated financial statements).	Our key audit procedures, in respect of this matter included but not limited to the following: 1. Obtained an understanding from the Management with respect to processes and design and implementation of and tested the operating effectiveness of the controls exercised by the Group to perform annual impairment test related to Goodwill.

INDEPENDENT AUDITOR'S REPORT

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	In terms of Ind AS 36 'Impairment of Assets', the carrying amount of the RMX CGU (including goodwill) is compared with the recoverable amount of the RMX CGU. In determining the fair value/ value in use of RMX CGU units, the Group has applied significant judgment in estimating future revenues, operating profit margins, long-term growth rate and discount rates. The carrying value of goodwill is tested annually for impairment. The Group performed its annual impairment test	2. Obtained the impairment analysis model from the Management and reviewed their calculations and the basis of their conclusions. 3. Verified the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management.
	of goodwill and determined that there was no impairment. Key assumptions concerning the impairment test are disclosed in Note 5 to the Consolidated financial statements. Due to the magnitude of the carrying value of goodwill and significant judgments involved in performing impairment test, this matter has been identified as Key Audit Matter.	4. Assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. Tested the discount rate and long term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate. 5. Performed sensitivity analysis on the key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by the Management. 6. Compared the recoverable amount as determined by the Management with the carrying amount of the RMX CGU (including goodwill) to evaluate impairment, if any. 7. Assessed and validated the adequacy and appropriateness of the disclosures made by the management is in accordance with Ind AS 36 'Impairment of Assets'.
4	Deferred Tax credit recognised in the Statement of Profit and Loss to the Consolidated financial statements: Section 115BAA of the Income Tax Act, 1961, provides an option to an Assessee of paying Income Tax at reduced rates. As the Holding Company has accumulated MAT credit entitlement available for utilisation, the Holding Company had opted for and recorded current tax expenses as per the existing tax structure. The Holding Company has measured its net deferred tax liabilities by applying the tax rates, as are expected to be applicable, at the time of its reversal in future. The impact of this change amounting to ₹ 468.86 Cr is included in the deferred tax line item in the statement of profit and loss for the year ended March 31, 2023. Due to the judgements involved in management's assessment of when the Holding company is expected to move to the new tax regime and considering that the likely impact on its Deferred Tax is material to the Consolidated financial statements, this is considered to be a key audit matter. [Refer note 41 to the Consolidated Financial Statement].	Our key audit procedures, in respect of this matter included but not limited to the following: 1. Understood and evaluated the design and tested the operating effectiveness of the Holding Company's controls over preparation of forecasts. 2. Assessed the reasonableness and appropriateness of the assumptions used in the forecast, which has been prepared for the purpose of assessing when the Holding company is expected to move to the new tax regime. 3. Performed a sensitivity analysis over the assumptions used in determining the future forecasted profit. 4. Tested the mathematical accuracy of re-measured amount of deferred tax balance. 5. Evaluated the appropriateness of the disclosures made in the consolidated financial statement as required by applicable accounting standards

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to the Directors' Report, Management discussion and analysis, Corporate Governance 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.

INDEPENDENT AUDITOR'S REPORT

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 term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including Joint Venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and its Joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 the consolidated financial statements by the 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 and joint venture are responsible for assessing the ability of the Group and its joint venture 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 Group 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 and its joint venture are responsible for overseeing the financial reporting process of the Group and its joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS

The consolidated financial statements also include the Group's share of net profit/loss (including other comprehensive income) of ₹ Nil for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of Joint venture, whose financial information have not been audited by us. These financial information are unaudited and 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 Joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid Joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information are not material to the Group.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act.
    e. On the basis of the written representations received from the directors of the Holding Company and the Subsidiary Company as on March 31, 2023, taken on record by the Board of Directors of the Holding Company and the Subsidiary Company respectively, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

INDEPENDENT AUDITOR'S REPORT

f. With respect to the adequacy of internal financial controls over financial reporting of the Group 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 Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture entity– Refer Note 50 & 64 to the consolidated financial statements.

   ii. The Group and its Joint venture do not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its Joint venture incorporated in India.

   iv. (1) The respective Managements of the Holding Company and its subsidiary Company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 58 to the consolidated financial statements, no funds 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 such subsidiary to or in any other person(s) or entity(ies), 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 such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (2) The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 58 to consolidated financial statements, no funds have been received by the Holding Company or such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary 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.

   (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company and its subsidiary in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

   v. The Holding Company and its subsidiary has neither declared nor paid any dividend during the year.

   vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company, its subsidiary company and its joint venture incorporated in India only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company to its Managing Director for the year ended March 31, 2023 has exceeded the limits prescribed under Section 197 read with Schedule V of the Act and rules thereunder by ₹ 4.97 crore. As informed to us by the management of the holding company and as stated in Note 43 of the Consolidated financial statements, the management of the Holding Company intends to seek requisite approvals of Shareholders at the ensuing annual general meeting.

3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by us for the subsidiary, in the Companies (Auditor's Report) Order 2020 (CARO) Reports of the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary/ Associate)	Clause number of the CARO Report which is qualified or Adverse
1.	Nu Vista Limited	U26940MH2007PLC3531	Subsidiary	Vii(b) disputed dues

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084
UDIN: 23116084BGYOMN9930

Place: Mumbai
Date: May 09, 2023

ANNEXURE A

To the Independent Auditor's Report on even date on the Consolidated Financial Statements of Nuvoco Vistas Corporation Limited for the year ended March 31, 2023

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 Group 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Joint venture 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 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 and its Joint Venture 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 information of the entities or business activities within the Group and its Joint venture 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 of such entities included in the consolidated financial statements of which we are the independent auditors.

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 for the year ended March 31, 2023 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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084
UDIN: 23116084BGYOMN9930

Place: Mumbai
Date: May 09, 2023

ANNEXURE B

To the Independent Auditor's Report on even date on the Consolidated Financial Statements of Nuvoco Vistas Corporation Limited for the year ended March 31, 2023

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Nuvoco Vistas Corporation Limited on the consolidated Financial Statements for the year ended March 31, 2023]

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

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of Nuvoco Vistas Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiary company (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, and its subsidiary company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiary company and its joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary company and its joint venture which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 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 in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India.

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 control 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.

ANNEXURE B

To the Independent Auditor's Report on even date on the Consolidated Financial Statements of Nuvoco Vistas Corporation Limited for the year ended March 31, 2023

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one joint venture incorporated in India whose financial statements are unaudited and hence, we are unable to comment on the adequacy and operative effectiveness of the internal financial controls in respect of this joint venture. In our opinion and according to the information and explanations given to us by the Management, the said joint venture is not material to the Group.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084
UDIN: 23116084BGYOMN9930

Place: Mumbai
Date: May 09, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023

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

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	9,387.23	9,785.06
(b) Capital work-in-progress (net of provision)	3	594.07	398.79
(c) Investment property	4	0.92	0.97
(d) Goodwill	5	3,278.47	3,278.47
(e) Other intangible assets	5	1,959.07	1,994.56
(f) Right of use assets	6	336.12	350.22
(g) Intangible assets under development	3	1.81	0.26
(h) Financial assets			
(i) Investments	7	0.05	0.05
(ii) Loans	8	1.51	1.35
(iii) Other non-current financial assets	9	544.48	860.45
(i) Income tax assets (net)		176.33	162.72
(j) Other non-current assets	10	183.83	189.33
		16,463.89	**17,022.23**
CURRENT ASSETS			
(a) Inventories	11	1,050.04	1,068.33
(b) Financial assets			
(i) Investments	12	-	185.53
(ii) Trade receivables	13	601.18	570.85
(iii) Cash and cash equivalents	14	192.74	103.38
(iv) Bank balances other than cash and cash equivalents	15	10.41	45.71
(v) Loans	16	2.57	2.58
(vi) Other current financial assets	17	412.63	311.48
(c) Other current assets	18	254.27	304.70
		2,523.84	**2,592.56**
TOTAL ASSETS		**18,987.73**	**19,614.79**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	357.16	357.16
(b) Other equity		8,481.84	8,464.06
		8,839.00	**8,821.22**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	20	3,325.43	4,183.37
(ii) Other non-current financial liabilities	21	55.95	58.87
(iii) Lease liabilities	44	93.06	94.44
(b) Other non-current liabilities	22	34.17	20.04
(c) Provisions	23	182.17	89.90
(d) Deferred tax liabilities (net)	24	1,189.94	1,854.04
		4,880.72	**6,300.66**
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	25	1,292.27	1,215.47
(ii) Trade payables	26		
- Due to micro and small enterprises		169.58	136.11
- Due to creditors other than micro and small enterprises		1,533.04	1,056.41
(iii) Other current financial liabilities	27	971.38	877.95
(iv) Lease liabilities	44	74.38	81.94
(b) Other current liabilities	28	680.20	630.56
(c) Provisions	29	547.16	494.47
		5,268.01	**4,492.91**
TOTAL EQUITY AND LIABILITIES		**18,987.73**	**19,614.79**
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1B		

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

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084

Place : Mumbai
Date : May 9, 2023

For and on behalf of the Board of Directors of
Nuvoco Vistas Corporation Limited
CIN: L26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Bhavna Doshi
Director
DIN: 00400508

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : May 9, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

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

Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME			
Revenue from operations	30	10,586.17	9,318.03
Other income	31	13.21	37.22
Total Income		**10,599.38**	**9,355.25**
EXPENSES			
Cost of materials consumed	32	1,764.95	1,508.23
Purchase of stock in trade	33	44.33	42.02
Changes in inventories of finished goods, work-in-progress and stock-in-trade	34	(23.59)	(173.99)
Power and fuel		2,792.34	2,100.85
Freight and forwarding charges		2,818.25	2,502.41
Employee benefits expense	35	605.51	579.99
Finance costs	36	511.90	569.92
Depreciation and amortisation expense	37	951.13	917.96
Other expenses	38	1,374.00	1,256.95
Total expenses		**10,838.82**	**9,304.35**
Profit / (Loss) before exceptional items and tax		**(239.44)**	**50.90**
Exceptional item	64	405.80	-
Profit / (loss) before tax		**(645.24)**	**50.90**
Tax expenses:	41		
1. Current tax		3.61	44.07
2. Deferred tax		(663.99)	(33.32)
3. Tax expense relating to earlier years		(0.72)	8.07
Total tax expense		**(661.10)**	**18.82**
Profit after tax		**15.86**	**32.08**
OTHER COMPREHENSIVE INCOME (OCI)			
I Items that will not be reclassified to profit and loss			
i. Remeasurements gain/(loss) of post-employment benefit obligation		2.17	(4.57)
ii. Income tax related to above		(0.29)	1.55
		1.88	**(3.02)**
II Items that will be reclassified to profit and loss			
i. Net change in fair value of derivatives designated as cash flow hedges		0.05	(0.61)
ii. Income tax related to above		(0.02)	0.21
		0.03	**(0.40)**
Other comprehensive income / (loss) for the year		**1.91**	**(3.42)**
Total comprehensive income for the year		**17.77**	**28.66**
Earnings per equity share (Face value of ₹10 /- each)	39		
1. Basic (₹)		0.44	0.93
2. Diluted (₹)		0.44	0.93
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1B		

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

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084

Place : Mumbai
Date : May 9, 2023

For and on behalf of the Board of Directors of
Nuvoco Vistas Corporation Limited
CIN: L26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Bhavna Doshi
Director
DIN: 00400508

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : May 9, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) before tax	(645.24)	50.90
Adjustments for:		
Depreciation and amortisation expense	951.13	917.96
Net (gain)/loss on foreign currency transaction and translation	6.31	(3.18)
Provision for doubtful debts, advances and incentives receivable	425.37	22.34
Provision for indirect taxes and litigations	16.78	20.92
Provision/liabilities no longer required written back	(12.18)	(16.70)
Net loss on sale of Property, Plant & Equipment and termination of lease	0.67	2.04
Gain on sale of current investments	(2.32)	(4.52)
Fair value (gain)/loss on financial instruments at fair value through profit or loss	0.05	(0.05)
Bad debts written off	2.07	1.24
Gain on sale of Investment property	-	(0.26)
Provision for slow and non-moving stores and spares	0.65	3.55
Interest income on bank deposits	(1.18)	(17.65)
Interest income on others	(4.14)	(4.34)
Finance costs	511.90	569.92
Equity shares issue expenses	-	4.03
Operating profit before working capital adjustments	**1,249.87**	**1,546.20**
Adjustments for working capital :		
(Increase)/Decrease in Inventories	16.88	(359.50)
(Increase)/Decrease in trade and other receivables	(111.20)	(138.49)
(Increase)/Decrease in loans and advances and other non-current/current assets	(55.97)	(248.16)
Increase/(Decrease) in trade and other payables, provisions and other liabilities	628.00	492.73
	1,727.58	**1,292.78**
Income tax paid (net of refund)	(16.18)	(71.93)
NET CASH FLOW FROM OPERATING ACTIVITIES	**1,711.40**	**1,220.85**
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase and construction of Property, plant and equipment	(486.33)	(410.55)
Proceeds from disposal of Property, plant and equipment and Investment property	-	1.17
Proceeds/(Investment) in fixed deposit (net) [including balance in escrow account]	34.79	(8.75)
Purchase of current investments	(2,386.12)	(3,221.00)
Proceeds from sale of current investments	2,573.91	3,424.21
Loans and advances (given) / repaid during the year	(0.15)	0.23
Interest received	3.54	24.35
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(260.36)**	**(190.34)**
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Equity share and CCD issue expenses	-	(35.18)
Repayment of long term borrowings	(952.21)	(3,777.41)
Proceeds from long term borrowings	350.00	1,551.37
Proceeds from Initial Public Issue	-	1,500.00
Repayment from Short term borrowing (Net)	(170.39)	(27.01)
Repayment of lease liabilities	(118.36)	(98.92)
Finance cost paid	(470.72)	(533.08)
NET CASH FLOW FROM FINANCING ACTIVITIES	**(1,361.68)**	**(1,420.23)**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	**89.36**	**(389.72)**
Cash and cash equivalents at the beginning of the year	103.38	493.10
Cash and cash equivalents at the end of the year	**192.74**	**103.38**
Reconciliation of Cash and cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet (Refer Note : 14)		
Bank balances including bank deposits	173.40	100.23
Cheques/drafts on hand	19.32	3.10
Cash on hand	0.02	0.05
Cash and cash equivalents at the end of the year	**192.74**	**103.38**

Notes :

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

ii) Disclosure as required by Ind AS 7 - "Cash Flow Statements" - Changes in liabilities arising from financing activities:

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

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Opening balance	5,398.84	7,642.01
Non Cash movement		
- Accrual of interest	381.19	504.89
Cash movement		
- Proceeds from long term borrowings	350.00	1,551.37
- Repayment of long term borrowings	(1,122.60)	(3,777.41)
- Interest payment	(389.73)	(522.02)
Closing balance	**4,617.70**	**5,398.84**

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

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084

Place : Mumbai
Date : May 9, 2023

For and on behalf of the Board of Directors of
Nuvoco Vistas Corporation Limited
CIN: L26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Bhavna Doshi
Director
DIN: 00400508

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : May 9, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

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

Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	35,71,56,153	357.16	31,50,89,061	315.09
Shares Issued on CCD Conversion	-	-	1,57,51,303	15.75
Shares Issued (Initial Public Offering) (Refer Note: 67)	-	-	2,63,15,789	26.32
Balance at the end of the year	**35,71,56,153**	**357.16**	**35,71,56,153**	**357.16**

Other equity

Particulars	Reserves and Surplus*										Items of OCI	Equity component of compound financial instrument	Total
	Capital reserve	Capital reserve on amalgamation	Capital reserve on merger	Securities premium	Capital redemption reserve	Debenture redemption reserve**	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 45IC of RBI Act	Retained earnings	Cash Flow hedge reserve (Refer Note 47)		
Balance as at April 01, 2021	**37.33**	**(1,053.75)**	**878.19**	**3,691.38**	**23.33**	**-**	**2.53**	**90.00**	**0.01**	**2,839.60**	**-**	**499.97**	**7,008.59**
Transfer to Debenture redemption reserve from Retained earning	-	-	-	-	-	111.03	-	-	-	(111.03)		-	-
Transfer to Retained earning from Debenture redemption reserve	-	-	-	-	-	(47.99)	-	-	-	47.99		-	-
Profit for the year	-	-	-	-	-	-	-	-	-	32.08		-	32.08
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	(3.02)	(0.40)	-	(3.42)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**63.04**	**-**	**-**	**-**	**(33.98)**	**(0.40)**	**-**	**28.66**
Conversion of CCD into Equity	-	-	-	-	-	-	-	-	-	-	-	(499.97)	(499.97)
Share issue expenses (on CCD Conversion)	-	-	-	(0.03)	-	-	-	-	-	-	-	-	(0.03)
Premium on Conversion of CCD into Equity	-	-	-	484.25	-	-	-	-	-	-	-	-	484.25
Share issue expenses (on Initial Public Issue of Shares)	-	-	-	(31.12)	-	-	-	-	-	-	-	-	(31.12)
Premium on Public Issue of Shares	-	-	-	1,473.68	-	-	-	-	-	-	-	-	1,473.68
Balance as at March 31, 2022	**37.33**	**(1,053.75)**	**878.19**	**5,618.16**	**23.33**	**63.04**	**2.53**	**90.00**	**0.01**	**2,805.62**	**(0.40)**	**-**	**8,464.06**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

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

Other equity (Contd.)

Particulars	Reserves and Surplus*										Items of OCI	Equity component of compound financial instrument	Total
	Capital reserve	Capital reserve on amalgamation	Capital reserve on merger	Securities premium	Capital redemption reserve	Debenture redemption reserve**	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 45IC of RBI Act	Retained earnings	Cash Flow hedge reserve (Refer Note 47)		
Transfer to Retained earning from Debenture redemption reserve	-	-	-	-	-	(21.39)	-	-	-	21.39	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-	15.86	-	-	15.86
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	1.88	0.03	-	1.91
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(21.39)**	**-**	**-**	**-**	**39.13**	**0.03**	**-**	**17.77**
Balance as at March 31, 2023	**37.33**	**(1,053.75)**	**878.19**	**5,618.16**	**23.33**	**41.65**	**2.53**	**90.00**	**0.01**	**2,844.75**	**(0.37)**	**-**	**8,481.84**

Notes:

* Refer Note 19 for description of the nature and purpose of each reserve within other Equity

** Debenture Redemption Reserve (DRR) is created on April 1, 2021 in accordance with the amendment to 'The Companies (Share capital and Debentures) Rules, 2014' (as amended) as well as the amendment in 'The Companies (Specification of definitions details) Rules, 2014' vide notification dated February 19, 2021.

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

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084

Place : Mumbai
Date : May 9, 2023

For and on behalf of the Board of Directors of
Nuvoco Vistas Corporation Limited
CIN: L26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Bhavna Doshi
Director
DIN: 00400508

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : May 9, 2023

1A GROUP INFORMATION

Nuvoco Vistas Corporation Limited ("the Holding Company") is a limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The registered office is located at Equinox Business Park, Tower-3, 4th Floor, LBS Marg, Off BKC, Kurla (West), Mumbai – 400070.

On July 14, 2020, Holding Company acquired 100% of equity shares of Emami Cement Limited (subsequently renamed to Nu Vista Limited ("NVL") from Emami Group). The Holding Company and its subsidiary (collectively, the Group) is principally engaged in the business of manufacturing and sale of Cement and building material products. The Group caters mainly to the domestic market. The Holding Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

1B SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These consolidated financial statements of the Holding Company, its subsidiary company and its joint venture have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and presentation requirements of Division II of Schedule III notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The Consolidated financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on May 9, 2023.

b) Principles of Consolidation

The Consolidated Financial Statement comprises the financial statements of the Holding Company, its subsidiary company and its joint venture. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

The financial information of the Holding Company and its subsidiary is combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions. Profits or losses resulting from intra-group transactions are eliminated in full. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

The list of companies which are included in consolidation and the holding company's holdings therein are as under:

Name of the Company	Percentage Holding March 31, 2023
a) Subsidiary Company	
1) Nu Vista Limited	100.00%
b) Joint Venture	
1) Wardha Vaalley Coal Field Private Limited	19.14%

The above companies are incorporated in India and financial statements are drawn up to the same reporting date as that of the Holding Company i.e., March 31, 2023

These financial statements have been prepared on the historical cost except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost.

c) Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold non mining land) and impairment loss, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

An item of spare parts that meets the definition of 'PPE' is recognised as "PPE" as on the date of acquisition. When significant parts of PPE are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is derecognised with consequent impact in the Consolidated Statement of Profit and Loss and cost of the new item of PPE is recognised

When a major repair is performed, its cost is recognised in the carrying amount of the Property, Plant and Equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

NOTES

to Consolidated Financial Statements for the year ended March 31, 2023

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

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

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Gains or losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the period of occurrence.

Overburden cost is capitalised if the overburden removal exceeds normal annual overburden removal by more than 50% and the total amount of stripping cost related to excess removal is more than Rs 0.50 crores.

Depreciation methods, estimated useful lives and residual value

Depreciation (other than on mining land & mining development) is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The management believes that the estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis. The useful lives so determined are as follows:

Asset Type	Useful life (in years)/ Basis of amortisation
Buildings and roads	1 to 60
Plant and machinery	1 to 50
Railway sidings and locomotives	30
Office equipment	1 to 20
Vehicles	5 to 10
Furniture and fixtures	1 to 15
Mining land	Amortised on the unit of production method based on extraction of limestone from mines in proportion to the estimated quantity of extractable mineral reserve.

Mining development cost are depreciated based on unit of production method in proportion of actual quantity of minerals extracted.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

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

d) Investment property

A property that is held for long term rental yields or for capital appreciation or both is classified as "Investment properties".

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

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

The Group depreciates building component of investment property over 20 years from the date of original purchase.

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

e) Intangible Assets

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

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

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

Amortisation methods, estimated useful lives and residual value

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

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

Asset Type	Useful life/ Basis of amortisation
Mining Rights	For leasehold land -Amortised on the unit of production method based on extraction of limestone from mines but restricted up to the lease period For Freehold land- Amortised on the unit of production method based on extraction of limestone from mines
Supplier agreement	(Finite) Up to the validity of the Contract
Trademark	(Finite) 10 years
Software	(Finite) 4 to 15 years

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually and change if any in useful life from indefinite to finite is made on a prospective basis.

f) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. In any case the growth rate does not exceed the long-term average growth rate for the products/industries in which the entity operates.

Impairment losses are recognised in the statement of profit and loss.

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

g) Leases:

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

<u>The Group as a lessee:</u>

The Group assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification 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.

The Group at the commencement of the lease contract recognises a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). For these short-term and low-value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Group, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Group measures the lease liability at the present value of the future lease payments from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Group's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Group measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or

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expected payments under the lease, or a modification that is not accounted for as a separate lease.

The portion of the lease payments attributable to the repayment of lease liabilities is recognised in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments and payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

The Group as a lessor:

In arrangements where the Group is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of entire the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognised as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Group applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

h) 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. Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instrument.

A. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

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

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

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

Financial asset at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value

Debt instruments

A debt instrument is classified as at FVTOCI if following two conditions are met:

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

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

All other investment in debt instruments not measured at amortised cost or at FVTOCI as described above is measured at fair value through profit and loss. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Equity investments

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

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

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

Derecognition

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

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

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

Impairment of financial assets

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

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

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

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

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

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

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

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

B. Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in financial liability or a non-financial host are separated from the host and accounted for as separate derivatives if:

- the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative (as defined above); and
- the hybrid contract is not measured at fair value through profit or loss.

Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Financial assets are classified in their entirety based on the business model and SPPI assessments as outlined in A. above.

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C. Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings measured at amortised cost.

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities are designated at fair value through profit or loss upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis or
- the liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or
- the liabilities contain one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVPL due to changes in the Group's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss.

Loans and borrowings measured at amortised cost

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

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

Derecognition

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

D. Off-setting of financial instruments

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

E. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

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

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

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

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

Cash flow hedges

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Group designates these forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

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

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

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognised in the statement of profit and loss.

i) Investment in joint ventures

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

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Group's profit and loss, and the Group's share of other comprehensive income of the investee in Group's other comprehensive income

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. The Group resumes recognising its share of profits only after its share of the profits equals the share of losses not recognised.

j) Business combination

Business Combination under common control:

Business combinations involving entities that are controlled by the Group or ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory, are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

Business Combination not under common control:

The Group accounts for its business combination under acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred.

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Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

k) Inventories

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

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis.

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

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

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

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

l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short term, with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m) Cash dividend to equity holders of the Group

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

n) Revenue Recognition

<u>Revenue from contract with customers:</u>

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 on account of various discounts and schemes offered by the Group as part of the contract. Revenue is recognised net of returns and allowances, related discounts, incentives and volume rebates after the control over the goods sold are transferred to the customer which is generally on dispatch or delivery of goods based on the terms of contract.

Returns, allowances, incentives, volume rebates, discounts etc. are estimated considering the terms of various schemes with customers using expected value method and revenue is only recognised to the extent that it is highly probable that significant reversal will not occur.

Significant financing component - Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

An entity collects Goods and Services Tax ("GST") on behalf of the government and not on its own account, therefore it is excluded from revenue.

<u>Interest income</u>

For all interest bearing financial assets interest income is recorded using the effective interest rate (EIR), which 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. Interest income is included in other income in the statement of profit and loss.

o) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants relating to income under State Investment Promotion schemes linked with GST payment are recognised as income in the statement of profit or loss over the period to which it relates and presented as other operating income. Where the grant relates to an asset, it is presented in the balance sheet by setting up the grant as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the related asset and presented as other operating income.

Government grants receivable are disclosed under financial assets.

p) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation All other borrowing costs are expensed in the period in which they are incurred. .

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

q) Income tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

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

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

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

Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax

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assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a period is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as a deferred tax asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal income tax during the specified period.

r) Employee benefits

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

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

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

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

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

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

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

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

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

Other Long-term employee benefits

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

s) Foreign currency translation

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

Transactions and balances

Transactions in foreign currencies are initially recorded at functional currency, using the foreign exchange rate at the date the transaction first qualifies for recognition.

At each balance sheet date, foreign currency monetary assets and liabilities are translated at the functional currency using the foreign exchange rate at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated at foreign currencies at year end exchange rates are generally recognised in profit and loss.

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

t) Provision for Mines Restoration

An obligation for restoration, rehabilitation and environmental cost arises when environmental disturbance is caused by the development or ongoing extraction from mines. Cost arising from restoration at closure of the mines and other site preparation work are provided based on their discounted net present value, with a corresponding amount being capitalised at the start of the each project. The amount provided for is recognised, as soon as the obligation to incur such cost arises. These costs are charged to the statement of profit and loss account over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as changes in mining plan, updated cost estimates and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the statement of profit and loss.

u) Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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

Contingent liability is disclosed in the case of:

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

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

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

v) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Equity shares that will be issued upon the conversion of mandatorily convertible instruments are included in the calculation of basic earnings per share from the date the contract is entered into.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

w) Operating Segment

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

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

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

x) Fair value measurement

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

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

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

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

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

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

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

1. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
2. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
3. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation

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to Consolidated Financial Statements for the year ended March 31, 2023

(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

y) Current and non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

z) Exceptional items

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

aa) Rounding off

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

bb) Significant estimates and judgments

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are described below:

(a) Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than the carrying amount, a material impairment loss may arise.

(b) Legal & Tax matters and contingent liabilities

Various litigations and claims related to Group are assessed primarily by the management and also in certain cases by with the support of the relevant external advice. Disclosures related to such provision for legal cases, as well as contingent liabilities, require judgment and estimations.

(c) Revenue recognition

Group provides various discounts to the customers. The methodology and assumptions used to estimate the same are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions.

(d) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Assessment of unfulfilled conditions and other contingencies attaching to government assistance that has been recognised require judgment and estimations.

(e) Defined benefit plan

The cost of the defined benefit gratuity plan and the present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(f) Mines Restoration Obligation:

In determining the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

cc) Recent accounting pronouncements issued but not yet effective.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 31, 2023 to amend the existing Ind AS which are effective from April 1, 2023. The group does not expect the amendment to have any significant impact in its financial statements.

2 PROPERTY, PLANT AND EQUIPMENT

Description	Land - Freehold (a)	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives	Furniture & Fixtures	Office Equipment	Vehicles	Total
Cost as at April 01, 2021	**1,362.49**	**44.19**	**2,054.60**	**9,771.13**	**661.66**	**32.54**	**42.13**	**23.17**	**13,991.91**
Additions	4.83	4.80	155.07	979.52	16.27	5.03	7.40	0.13	1,173.05
Disposals/adjustments	(4.25)	(9.65)	(2.93)	(14.77)	-	(0.00)	(0.09)	(0.31)	(32.00)
Cost as at March 31, 2022 (A)	**1,363.07**	**39.34**	**2,206.74**	**10,735.88**	**677.93**	**37.57**	**49.44**	**22.99**	**15,132.96**
Additions	16.64	42.40	41.50	206.02	9.65	1.31	6.17	0.16	323.85
Disposals/adjustments	-	-	(0.05)	(38.88)	-	(0.03)	(0.14)	-	(39.10)
Cost as at March 31, 2023 (C)	**1,379.71**	**81.74**	**2,248.19**	**10,903.02**	**687.58**	**38.85**	**55.47**	**23.15**	**15,417.71**
Accumulated depreciation as at April 01, 2021	**45.45**	**5.83**	**680.75**	**3,576.62**	**295.21**	**15.10**	**31.82**	**16.95**	**4,667.73**
Depreciation for the year	11.73	4.00	83.35	573.23	23.11	4.83	3.11	2.84	706.20
Disposals/adjustments	(0.10)	(9.65)	(2.90)	(13.15)	-	(0.00)	(0.08)	(0.15)	(26.03)
Accumulated depreciation as at March 31, 2022 (B)	**57.08**	**0.18**	**761.20**	**4,136.70**	**318.32**	**19.93**	**34.85**	**19.64**	**5,347.90**
Depreciation for the year	11.87	4.36	79.77	587.99	22.38	4.73	3.45	0.73	715.28
Disposals/adjustments	-	-	(0.05)	(32.49)	-	(0.02)	(0.14)	-	(32.70)
Accumulated depreciation as at March 31, 2023 (D)	**68.95**	**4.54**	**840.92**	**4,692.20**	**340.70**	**24.64**	**38.16**	**20.37**	**6,030.48**
Net carrying amount as at March 31, 2022 (A)- (B)	**1,305.99**	**39.16**	**1,445.54**	**6,599.18**	**359.61**	**17.64**	**14.59**	**3.35**	**9,785.06**
Net carrying amount as at March 31, 2023 (C)- (D)	**1,310.76**	**77.20**	**1,407.27**	**6,210.82**	**346.88**	**14.21**	**17.31**	**2.78**	**9,387.23**

Notes:

a. Freehold land includes ₹ 2.11 crores (March 31, 2022 : ₹ 2.11 crores) being used by third party.

b. Refer Note 20(i), 20(iii), and 20(iv) for Property, plant and equipment provided as collateral against borrowings.

c. Title deeds of Immovable Property not held in the name of the holding Company

Description of item of property	Name of the Registered Owner	Gross carrying value	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date (Refer Note: 3)	Reason for not being held in the name of the company (also indicate if in dispute)
Freehold land	Sidhi Vinayak Cement Private Limited	20.20	No	2019-20	Refer Note: 1 below
Freehold land	Nirma Limited	0.46	No	2019-20	
Freehold land	Nirma Limited and Sidhi Vinayak Cement Private Limited	0.43	No	2019-20	
Freehold land	Lafarge Aggregate and Concrete India Private Limited	57.00	No	2014-15	Refer Note: 2 below
Leasehold land	Lafarge Aggregate and Concrete India Private Limited	7.10	No	2014-15	

Note:

1. Pursuant to the Hon'ble High Court of Gujarat Order dated June 02, 2015, Sidhi Vinayak Cement Private Limited has been amalgamated along with its Nimbol Cement Plant with Nirma Limited. Subsequently, pursuant to the Orders of the Hon'ble NCLT, Ahmedabad and Mumbai dated November 25, 2019 and January 09, 2020 said Nimbol Cement Plant got demerged under the scheme of arrangement from Nirma Limited and merged into the Company. Transfer of name under Government records of the above title deeds related to Lands situated at Nimbol Cement Plant are under progress.
2. Pursuant to the Hon'ble High Court of Bombay Order dated February 13, 2015, Lafarge Aggregate and Concrete India Private Limited has been amalgamated with the Company, however, transfer of name under Government records are under progress.
3. The date of capitalisation is considered from the date of NCLT or High Court order in case of merger/ amalgamation as stated in Note 1 and 2 above.

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to Consolidated Financial Statements for the year ended March 31, 2023

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

3 CAPITAL WORK-IN-PROGRESS (NET OF PROVISION) AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at March 31, 2023					As at March 31, 2022				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Projects in progress	289.25	41.62	23.61	166.47	520.95	55.76	82.81	122.85	62.81	324.23
(ii) Projects temporarily suspended	0.11	-	14.72	60.10	74.93	0.13	15.58	41.71	17.40	74.82
Total	**289.36**	**41.62**	**38.33**	**226.57**	**595.88**	**55.89**	**98.39**	**164.56**	**80.21**	**399.05**

For Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars (CWIP*)	As at March 31, 2023					As at March 31, 2022				
	To be completed in					To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(a) Projects in progress										
(i) Limestone Handling System	-	-	-	-	-	5.15	-	-	-	5.15
(ii) Clinker Capacity expansion	-	-	-	-	-	11.20	-	-	-	11.20
(iii) Andhra and Rajasthan Mines	-	-	-	99.61	99.61	33.28	-	-	99.61	132.89
(iv) Railway Siding- Panagarh and Jajpur	75.73	-	-	-	75.73	-	45.44	-	-	45.44
(v) Other development projects	-	-	-	-	-	1.95	-	-	-	1.95
Total	**75.73**	**-**	**-**	**99.61**	**175.34**	**51.58**	**45.44**	**-**	**99.61**	**196.63**
(b) Projects temporarily suspended										
(i) Railway Siding - Risda	-	74.71	-	-	74.71	-	-	74.60	-	74.60
(ii) Other	-	-	-	0.22	0.22	-	-	-	0.22	0.22
Total	**-**	**74.71**	**-**	**0.22**	**74.93**	**-**	**-**	**74.60**	**0.22**	**74.82**

* Project execution plans are modulated basis sustenance requirement assessment on an annual basis and all the sustaining projects are executed as per rolling annual plan.

Note: The Holding Company had started greenfield expansion project at Gulbarga. All permits for startup of the project including environmental clearance of plant and mines are in place. The Holding Company has mining lease which was operationalised in 2016. Some ancillary activities with respect to setting up of plant are in progress. The ground-breaking for the expansion project is set in FY 25 and the land acquisition is in progress. The tentative date of completion of the project is 2-2.5 years from the date of ground-breaking.

4 INVESTMENT PROPERTY

Description	Amount
Cost as at April 01, 2021	**0.79**
Additions	0.97
Disposals/adjustments	(0.79)
Cost as at March 31, 2022 (A)	**0.97**
Additions	-
Disposals/adjustments	-
Cost as at March 31, 2023 (C)	**0.97**
Accumulated depreciation as at April 01, 2021	**0.24**
Depreciation for the year	0.01
Disposals/adjustments	(0.25)
Accumulated depreciation as at March 31, 2022 (B)	**0.00**
Depreciation for the year	0.05
Disposals/adjustments	-
Accumulated depreciation as at March 31, 2023 (D)	**0.05**
Net carrying amount as at March 31, 2022 (A)- (B)	**0.97**
Net carrying amount as at March 31, 2023 (C)- (D)	**0.92**

In March 2023, the Holding Company has received quotation for investment property at ₹0.97 crores. The fair value, as on March 31, 2022 was ₹ 0.97 crores.

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to Consolidated Financial Statements for the year ended March 31, 2023

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

5 GOODWILL AND OTHER INTANGIBLE ASSETS

Description	Other Intangible Assets						Goodwill
	Software	Mining Rights	Trade Mark	Non Compete Agreement	Suppliers Agreement	Total	
Cost as at April 01, 2021	**67.32**	**1,655.79**	**804.46**	**71.90**	**17.78**	**2,617.25**	**3,278.47**
Additions	4.13	4.61	-	-	-	8.74	-
Disposals/adjustments	-	-	-	-	-	-	-
Cost as at March 31, 2022 (A)	**71.45**	**1,660.40**	**804.46**	**71.90**	**17.78**	**2,625.99**	**3,278.47**
Additions	3.31	88.80	-	-	-	92.11	-
Disposals/adjustments	-	-	-	-	-	-	-
Cost as at March 31, 2023 (C)	**74.76**	**1,749.20**	**804.46**	**71.90**	**17.78**	**2,718.10**	**3,278.47**
Accumulated amortisation as at April 01, 2021	**57.26**	**106.66**	**254.60**	**71.90**	**17.77**	**508.19**	**-**
Amortisation for the year	5.83	38.00	79.40	-	0.01	123.24	-
Disposals/adjustments	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2022 (B)	**63.09**	**144.66**	**334.00**	**71.90**	**17.78**	**631.43**	**-**
Amortisation for the year	3.21	45.11	79.28	-	-	127.60	-
Disposals/adjustments	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023 (D)	**66.30**	**189.77**	**413.28**	**71.90**	**17.78**	**759.03**	**-**
Net carrying amount as at March 31, 2022 (A)- (B)	**8.36**	**1,515.74**	**470.46**	**-**	**-**	**1,994.56**	**3,278.47**
Net carrying amount as at March 31, 2023 (C)- (D)	**8.46**	**1,559.43**	**391.18**	**-**	**-**	**1,959.07**	**3,278.47**

Note: Refer Note 20(i), 20(iii), and 20(iv) for other intangible assets provided as collateral against borrowings.

Impairment testing of goodwill

As at March 31, 2023, the carrying value of goodwill relating to business acquisition is ₹ 3,278.47 crores. Management has identified three operating Cash Generating Units (CGUs) as below for the purpose of impairment testing

- Cement CGU of Nuvoco Vistas Corporation Limited (NVCL)
- Cement CGU of NU Vista Limited (NVL)
- Ready Mix CGU of NVCL (RMX)

Goodwill arising from the acquisition of NU Vista Limited (NVL) amounting to ₹ 834.61 crores has been allocated to NVL Cement CGU as management is monitoring Goodwill at the that level.

Particulars	NVCL Cement		NVL Cement		NVCL RMX	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Goodwill	**2,017.85**	**2,017.85**	**834.61**	**834.61**	**426.01**	**426.01**

The Group performed its annual impairment test for all the CGUs for years ended March 31, 2023 and March 31, 2022 respectively and no Goodwill impairment was deemed necessary.

i. NVCL Cement CGU

The recoverable amount of the NVCL Cement CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Cement. The pre-tax discount rate applied to cash flow projections for impairment testing during the year ended March 31, 2023 is 13.78% (March 31, 2022 - 13.32%) and cash flows beyond the five-year period are extrapolated using a 2.0% (March 31, 2022 - 2.0%) growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

ii. NVL Cement CGU

The recoverable amount of the NVL Cement CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Cement. The pre-tax discount rate applied to cash flow projections for impairment testing during the the year ended March 2023 is 13.78% (March 31, 2022 - 13.32%) and cash flows beyond the five-year period are extrapolated using a 2.0% (March 31, 2022 - 2.0%) growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

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

5 GOODWILL AND OTHER INTANGIBLE ASSETS (Contd.)

iii. NVCL Ready Mix CGU

The recoverable amount of the NVCL Ready Mix CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Ready mix. The pre-tax discount rate applied to cash flow projections for impairment testing during the year ended March 2023 is 13.78% (March 31, 2022 - 13.32%) and cash flows beyond the five-year period are extrapolated using a 4.0% (March 31, 2022 - 4.0%) growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

Key assumptions used for value in use calculations

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

(1) Sales Growth Rate

(2) Raw Material Price Inflation

(3) Market Growth Rate

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

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

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

Sensitivity to changes in assumptions

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

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

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

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

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

6 RIGHT OF USE ASSETS

Description	Land - Leasehold	Building	Office Premises*	Plant & Machinery	Vehicles	Total
Cost as at April 01, 2021	**226.11**	**48.45**	**48.11**	**81.57**	**1.72**	**405.96**
Additions	21.90	17.05	13.27	64.85	1.91	118.98
Disposals/adjustments	(1.08)	(15.07)	(8.93)	(31.09)	(0.64)	(56.81)
Cost as at March 31, 2022 (A)	**246.93**	**50.43**	**52.45**	**115.33**	**2.99**	**468.13**
Additions	11.23	35.25	3.77	63.68	-	113.93
Disposals/adjustments	(4.86)	(38.89)	(2.66)	(50.96)	(0.25)	(97.62)
Cost as at March 31, 2023 (C)	**253.30**	**46.79**	**53.56**	**128.05**	**2.74**	**484.44**
Accumulated depreciation as at April 01, 2021	**25.87**	**14.16**	**8.42**	**27.41**	**0.76**	**76.62**
Depreciation for the year	14.94	19.83	10.33	42.82	0.59	88.51
Disposals/adjustments	(1.61)	(6.90)	(7.92)	(30.25)	(0.54)	(47.22)
Accumulated depreciation as at March 31, 2022 (B)	**39.20**	**27.09**	**10.83**	**39.98**	**0.81**	**117.91**
Depreciation for the year	15.31	21.71	10.38	60.20	0.60	108.20
Disposals/adjustments	(4.86)	(33.27)	(1.60)	(37.95)	(0.11)	(77.79)
Accumulated depreciation as at March 31, 2023 (D)	**49.65**	**15.53**	**19.61**	**62.23**	**1.30**	**148.32**
Net carrying amount as at March 31, 2022 (A)- (B)	**207.73**	**23.34**	**41.62**	**75.35**	**2.18**	**350.22**
Net carrying amount as at March 31, 2023 (C)- (D)	**203.65**	**31.26**	**33.95**	**65.82**	**1.44**	**336.12**

* including furniture

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to Consolidated Financial Statements for the year ended March 31, 2023

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

7 INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Unquoted, valued at cost unless stated otherwise		
a. Investment in joint venture		
8,61,300 (March 31, 2022 - 8,61,300) equity shares of ₹ 10/- each fully paid up in Wardha Vaalley Coal Field Private Limited	0.86	0.86
Less: Provision for impairment	(0.86)	(0.86)
	-	-
b. Investment in others		
i. Equity investment (at FVTOCI)		
19,25,924 (March 31, 2022 - 19,25,924) Class A equity shares of ₹ 10/- each fully paid-up in VS Lignite Power Private Limited.	-	-
ii. Debt investment (at FVTPL)		
48,28,298 (March 31, 2022 - 48,28,298) 0.01% cumulative class A redeemable preference shares of ₹ 10/- each fully paid-up in VS Lignite Power Private Limited.	-	-
Un-quoted government securities at amortised cost		
National savings certificates lodged with various authorities	0.05	0.05
Total	**0.05**	**0.05**

Note:

The Ministry of coal had allotted a coal block in the state of Maharashtra to a consortium in which the Holding Company is a member. The Holding Company plans to carry out mining activities through Wardha Vaalley Coal Field Private Limited, a joint venture Company incorporated in India as a special purpose vehicle. The Holding Company's ownership in the jointly controlled entity is 19.14%. The other owners in the joint venture being IST Steel & Power Limited (53.59%) and Ambuja Cements Limited (27.27%).

In prior years, the allotment of the coal block has been cancelled and the Joint Venture (JV) Company has been show caused for allegedly not achieving the progress milestones in the development of the mine. Deallocation of the coal block has been challenged before the Hon'ble Delhi High court and the matter is subjudice. The guarantee given by the JV has also been sought to be involved but the same has been stayed by the Hon'ble Delhi High court subject to the guarantee being kept alive.

8 LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans and advances to employees	1.51	1.35
Sub total (a)	**1.51**	**1.35**
Doubtful		
Loans to related party (Joint Venture) #(Refer Note: 43)	1.29	1.25
Less: Provision for doubtful loans	(1.29)	(1.25)
Sub total (b)	**-**	**-**
Total (a+b)	**1.51**	**1.35**

Represents intercorporate loan given to Wardha Vaalley Coal Field Private Limited for working capital requirements.

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

9 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Deposits with Government authorities and others	169.28	160.29
Less: Provision for doubtful deposits	(4.65)	(5.05)
	164.63	155.24
Bank deposits for maturity more than 12 months	0.50	-
Sub total (a)	165.13	155.24
Doubtful		
Industrial promotional assistance (Refer Note: 64)	785.15	705.21
Less: Provision for Expected credit loss	(405.80)	-
Sub total (b)	379.35	705.21
Total (a+b)	**544.48**	**860.45**

10 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Capital advances	105.84	113.73
Other advances	72.13	72.13
Balances with indirect tax authorities	2.08	2.05
Prepaid expenses	3.78	1.42
Sub total (a)	183.83	189.33
Doubtful		
Capital advances	1.26	1.26
Less: Provision for doubtful advances	(1.26)	(1.26)
Sub total (b)	-	-
Total (a+b)	**183.83**	**189.33**

11 INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at Cost and NRV,whichever is lower)		
Raw materials	101.46	100.02
(includes stock with third party ₹ Nil crores (March 31, 2022 : ₹0.11 crores))		
Work-in-progress	290.83	258.26
(includes in transit ₹ 13.10 crores (March 31, 2022 : ₹ 23.70 crores))		
Finished goods	118.10	127.70
(includes in transit ₹ 33.17 crores (March 31, 2022 : ₹21.14 crores))		
Stock-in-Trade (includes in transit ₹ 0.41 crores (March 31, 2022 : ₹ Nil crores))	2.63	2.01
Stores and Spare Parts, Packing Material and Fuel	537.02	580.34
(includes in transit and stock with third parties ₹ 128.34 crores (March 31, 2022 : ₹100.10 crores))		
Total	**1,050.04**	**1,068.33**

The Group has made provision for slow moving and non-moving stores and spare parts during the year amounting to ₹ 0.65 crores (March 31, 2022 - ₹ 3.55 crores).

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

12 INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Quoted, valued at Fair Value Through Profit and Loss (FVTPL)		
Investment in Mutual Fund		
SBI Liquid Fund (Nil Units, (March 31, 2022 : 21,312.09 Units))	-	7.10
Kotak Liqud Fund Direct Growth (Nil Units, (March 31, 2022 : 18,853.63 Units))	-	8.11
Nippon Liquid Fund Direct Growth (Nil Units, (March 31, 2022 : 7,871.82 Units))	-	4.10
Axis Liquid Fund Direct Growth (Nil Units, (March 31, 2022 : 30,071.93 Units))	-	7.11
UTI Liquid Cash Fund - Direct Growth (Nil Units, (March 31, 2022 : 11,701.12 units))	-	4.08
Kotak Overnight Fund - Direct - Growth (Nil Units, (March 31, 2022 :3,08,728.47 units))	-	35.00
Axis Overnight Fund Direct Growth (Nil Units, (March 31, 2022 :3,11,463.27 Units))	-	35.00
SBI Overnight Fund - Direct Plan - Growth (Nil Units, (March 31, 2022 : 86,679.92 Units))	-	30.00
Nippon India Overnight Fund Direct Growth (Nil Units, (March 31, 2022 :26,29,476.42 Units))	-	30.03
UTI Overnight Fund - Direct Growth (Nil Units, (March 31, 2022 : 85,920.50 Units))	-	25.00
Total	**-**	**185.53**
Aggregate book value of quoted investments	-	185.53
Aggregate market value of quoted investments	-	185.53

13 TRADE RECEIVABLES

Particulars	As at March 31, 2023	As at March 31, 2022
- Secured, considered good	247.49	166.18
- Unsecured, considered good	352.02	398.05
- Which have significant increase in credit risk	1.67	6.62
- Credit impaired	143.77	130.10
Total	**744.95**	**700.95**
Less: Provision for doubtful trade receivables	(143.77)	(130.10)
Total (Net of Provision)	**601.18**	**570.85**

Note:

1. For Trade receivable outstanding to related parties (Refer Note: 43)
2. For Trade receivable ageing refer below

Particulars	As at March 31, 2023					
	Outstanding from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	577.68	13.78	3.51	0.84	1.38	597.19
(ii) Undisputed Trade receivables which have significant increase in credit risk	1.75	-	-	-	-	1.75
(iii) Undisputed Trade receivables credit impaired	0.83	1.19	8.70	2.63	119.53	132.88
(iv) Disputed Trade receivables considered good	0.23	-	-	-	0.32	0.55
(v) Disputed Trade receivables which have significant increase in credit risk	0.03	0.42	0.54	0.17	0.53	1.69
(vi) Disputed Trade receivables credit impaired	0.03	1.17	0.75	1.87	7.07	10.89
Total	**580.55**	**16.56**	**13.50**	**5.51**	**128.83**	**744.95**
Less: Provision for doubtful trade receivables						**(143.77)**
Total (Net of Provision)						**601.18**

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

13 TRADE RECEIVABLES (Contd.)

Particulars	As at March 31, 2022					
	Outstanding from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	531.13	8.74	3.92	2.25	2.41	548.45
(ii) Undisputed Trade receivables which have significant increase in credit risk	0.94	0.01	-	-	-	0.95
(iii) Undisputed Trade receivables credit impaired	0.19	1.10	0.44	22.74	39.78	64.25
(iv) Disputed Trade receivables considered good	0.07	0.04	-	5.30	9.35	14.76
(v) Disputed Trade receivables which have significant increase in credit risk	0.07	-	-	0.17	6.45	6.69
(vi) Disputed Trade receivables credit impaired	-	0.57	1.62	18.12	45.54	65.85
Total	**532.40**	**10.46**	**5.98**	**48.58**	**103.53**	**700.95**
Less: Provision for doubtful trade receivables						**(130.10)**
Total (Net of Provision)						**570.85**

14 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with bank		
- On current accounts	73.88	100.23
- Deposits with original maturity of less than three months	99.52	-
Cheques/drafts on hand	19.32	3.10
Cash on hand	0.02	0.05
Total	**192.74**	**103.38**

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked (restricted) balances with banks for :		
Current account (Refer Note: 67)	-	3.70
Deposits pledged as margin money against bank guarantee	5.23	13.30
Balances with various statutory authorities	-	23.53
Collateral for disputed indirect tax cases	5.18	5.18
Total	**10.41**	**45.71**

16 LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans and advances to employees	2.57	2.58
Total	**2.57**	**2.58**

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

17 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Deposits with Government authorities and others	188.31	173.08
Industrial promotional assistance	200.13	114.19
Interest accrued	6.72	4.94
Derivative Assets (Refer Note: 47)	0.05	2.42
Other receivables	17.42	16.85
Sub total (a)	412.63	311.48
Doubtful		
Interest accrued on loan to related party (Joint Venture) (Refer Note: 43)	1.31	1.20
Provision for doubtful Interest accrued on loan	(1.31)	(1.20)
Sub total (b)	-	-
Total (a+b)	**412.63**	**311.48**

18 OTHER CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advances to Suppliers	132.54	141.22
Balances with indirect tax authorities	82.22	116.78
Prepaid expenses	34.40	35.11
Advance with Gratuity fund (Refer Note: 42)	1.53	-
Other receivables	3.58	11.59
Total	**254.27**	**304.70**

19 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
7,80,11,10,000 (March 31, 2022- 7,80,11,10,000) Equity shares of ₹ 10/- each	7,801.11	7,801.11
1,00,00,00,000 (March 31, 2022- 1,00,00,00,000) Preference shares of ₹ 10/- each	1,000.00	1,000.00
	8,801.11	**8,801.11**
Issued, subscribed and fully paid-up		
35,71,56,153 (March 31, 2022- 35,71,56,153) Equity shares of ₹ 10/- each	357.16	357.16
	357.16	**357.16**

(a) Terms/ rights attached to equity shares

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

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

(b) Shares held by shareholders holding more than 5% in the Company

Niyogi Enterprise Private Limited (Ultimate Holding Company) and its nominees		
No of Shares	21,40,24,889	21,27,07,346
Shareholding %	59.92%	59.56%
Mr. Karsanbhai Khodidas Patel		
No of Shares	2,49,84,351	2,49,84,351
Shareholding %	7.00%	7.00%

19 EQUITY SHARE CAPITAL (Contd.)

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

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

i) On February 19, 2019, the Holding Company has converted Compulsory Convertible Debentures (CCD) of ₹ 1,000 crores into 5,00,00,000 numbers of equity shares of ₹ 10/- each. Difference between the equity component of CCD and face value of the equity shares issued on conversion has been credited to security premium account. Difference between the outstanding debt component related to CCD (including accrued interest till the date of conversion accounted as per Ind AS) and interest payable @ 2% till the date of conversion, has been credited to retained earnings. Remaining portion of the debt component has been treated as Inter Corporate Deposit from Nirma Limited to the Company bearing interest @ 8% p.a.

ii) Pursuant to the Scheme of arrangement between the Holding Company and Nirma Limited in February, 2020, 4,23,61,787 equity shares were allotted as fully paid up to the equity shareholders of Nirma Limited, without payment being received in cash.

Shares held by Promoters	Niyogi Enterprise Private Limited (Ultimate Holding Company) and its nominees	Mr. Karsanbhai Khodidas Patel
As at March 31, 2023		
No. of Shares	21,40,24,889	2,49,84,351
% of total shares	59.92%	7.00%
% change during the year	0.62%	0.00%
As at March 31, 2022		
No. of Shares	21,27,07,346	2,49,84,351
% of total shares	59.56%	7.00%

Nature and purpose of reserve

A - Capital Reserve, Capital Reserve on Amalgamation, Capital Reserve on Merger and Amalgamation Reserve

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

B - Debenture Redemption Reserve

The Holding Company has issued non-convertible debentures. The Companies (Share capital and Debentures) Rules, 2014 (as amended) as well as the amendment in the Companies (Specification of definitions details) Rules, 2014 vide notification dated February 19, 2021, requires the holding company to create Debenture Redemption Reserve (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 10% of the value of debentures issued. Accordingly, DRR has been created over a tenure of in the debenture.

C - Cash flow hedge reserve

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

D - Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

E - Capital Redemption Reserve

Capital redemption reserve was created by transferring from retained earnings. The balance will be utilised in accordance with the provision of the Companies Act, 2013.

F - General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

G - Statutory Reserve Under Section 45IC of RBI Act

Statutory Reserve under section 45IC of RBI Act was created by transfering profits as per the rules stated therein when the company was registered as a Non Banking Financial Company (NBFC).

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

19 EQUITY SHARE CAPITAL (Contd.)

H - Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, debenture redemption reserve. Retained Earnings is a free reserve available to the Group.

I - Equity component of compound financial instrument

Equity component of compound instrument is recognised on issue of Compulsorily Convertible Debentures (CCD) in FY 2020-21. CCD has been converted into equity shares during the previous year.

20 BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
i) Non convertible debentures		
Secured redeemable non convertible debentures (Refer Note 20(i))	882.11	885.34
Unsecured redeemable non convertible debentures (Refer Note 20(ii))	640.46	639.54
Secured term loans (Refer Note 20(iii) and 20(iv))	3,095.13	3,703.50
	4,617.70	**5,228.38**
Less: Amount disclosed under the head Current Borrowings (Refer Note: 25)	(1,292.27)	(1,045.01)
Total	**3,325.43**	**4,183.37**

Nature of securities	Term of Repayment	Rate of Interest p.a.	As at March 31, 2023	As at March 31, 2022
In the books of Holding Company:				
20(i) Secured redeemable non convertible debentures :				
First ranking pari passu charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets of the Company.	5,000 Secured NCD of ₹ 10,00,000 each redeemable at par on September 25, 2023.	7.25% p.a. payable annually	518.04	516.98
	3,500 Secured NCD of ₹ 10,00,000 each redeemable at par on August 28, 2025.	7.75% p.a. payable annually	364.07	-
	3,500 Secured NCD of ₹ 10,00,000 each redeemable at par on August 30, 2022.	9.15% p.a. payable annually	-	368.36
Total			**882.11**	**885.34**
20(ii) Unsecured redeemable non convertible debentures :				
-	3,000 Unsecured, Subordinated, Rated, Listed NCD of ₹ 10,00,000 each redeemable at par on July 06, 2077. The Company has a call option to redeem debenture at the end of 7 years from July 6, 2017 and annually every year thereafter with the maximum additional interest of 2% p.a.	9.65% p.a. payable annually	320.50	320.04
-	3,000 Unsecured, Subordinated, Rated, Listed NCD of ₹ 10,00,000 each redeemable at par on July 05, 2027. The Company has a call option to redeem debenture at the end of 10 years from July 06, 2017 and annually every year thereafter with the maximum additional interest of 2% p.a.	10.15% p.a. payable annually	319.96	319.50
Total			**640.46**	**639.54**

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

20 BORROWINGS (Contd.)

Nature of securities	Term of Repayment	Rate of Interest p.a.	As at March 31, 2023	As at March 31, 2022
20(iii) Secured term loans :				
First pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties and second pari passu charge over current assets of the holding company.	State Bank of India: 20 equal quarterly installment of ₹ 18.75 crores each from December 31, 2020 to September 30, 2025	3 months T-Bill rate + Spread	187.20	271.86
	Kotak Mahindra Bank Limited: 20 equal quarterly installment of ₹ 18.75 crores each from December 12, 2020 to September 12, 2025	Repo Rate + Spread	188.56	263.41
	RBL Bank Limited: 20 equal quarterly installment of ₹ 10.00 crores each from June 19, 2022 to March 19, 2027	6 months T-Bill rate + Spread	159.73	199.66
First pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future fixed assets and immovable properties and second charge on current assets of the holding company	Kotak Mahindra Bank Limited: 36 structured quarterly installment payable from January 31, 2022 to April 30, 2030	Repo Rate + Spread	187.82	198.11
	Axis Bank Limited: 20 equal quarterly installment of ₹ 10.00 crores each from June 30, 2022 to March 31, 2027	1 year T-Bill rate + Spread	159.73	199.67
	The Hongkong and Shanghai Banking Corporation Limited: 34 structured quarterly installment payable from January 31, 2022 to April 30, 2030.	1 months T-Bill rate + Spread	280.00	296.00
	HDFC Bank Limited: 34 structured quarterly installment payable from January 31, 2022 to April 30, 2030.	1 months T-Bill rate + Spread	326.43	345.01
	The Hongkong and Shanghai Banking Corporation Limited: 20 equal quarterly installment of ₹ 7.50 crores each from June 10, 2022 to March 10, 2027	1 months T-Bill rate + Spread	120.00	150.00
	The Hongkong and Shanghai Banking Corporation Limited: 16 structured quarterly installment payable from December 4, 2020 to September 4, 2024	1 months T-Bill rate + Spread	67.50	112.50
In the books of subsidiary company				
20(iv) Secured term loans :				
First pari-passu charge on entire fixed assets (movable & immovable), present and future of Risda (Chhattisgarh) & Panagarh (West Bengal).	Bank of Baroda	Overnight MCLR	364.32	439.62
	Central Bank of India	Overnight MCLR	77.84	93.48
	Union Bank of India	Overnight MCLR + Spread	252.61	305.47
Second pari-passu charge on the entire present & future, current assets of cement plants of the company situated at Risda (Chattisgarh), Panagarh (West Bengal), Jajpur (Odisha) and Bhabua (Bihar).	Axis Bank Limited	1 Year MCLR + Spread	68.18	82.62
	Kotak Mahindra Bank Limited	Repo Rate + Spread	76.78	93.64
	HDFC Bank Limited	Repo Rate + Spread	116.54	138.96

20 BORROWINGS (Contd.)

Nature of securities	Term of Repayment	Rate of Interest p.a.	As at March 31, 2023	As at March 31, 2022
	Repayable in 38 unequal quarterly installments commencing from March 31, 2018 and ending on June 30, 2027 for the above banks under consortium except Axis bank where maturity date is March 31, 2027			
First pari-passu charge on the entire fixed assets (movable & immovable) of the Cement Grinding unit at Jajpur, Odisha. Second pari-passu charge on the entire present & future, current assets of cement plants of the company situated at Risda (Chattisgarh), Panagarh (West Bengal), Jajpur (Odisha) and Bhabua (Bihar).	Union Bank of India Repayable in 37 quarterly unequal installments starting from December 31, 2021 and ending on December 31, 2030 for the above bank under consortium.	Overnight MCLR + Spread	227.64	248.14
	HDFC Bank Limited Repayable in 30 quarterly unequal installments starting from December 31, 2021 and ending on March 31, 2029 for the above bank under consortium.	Repo Rate + Spread	106.01	118.70
First charge on the entire fixed assets (movable & immovable) of the Cement Grinding unit at Bhabua, Bihar. Second pari-passu charge on the entire present & future, current assets of cement plants of the company situated at Risda (Chattisgarh), Panagarh (West Bengal), Jajpur (Odisha) and Bhabua (Bihar).	HDFC Bank Limited Repayble in 38 equal quarterly installments and one last unequal instalment commencing from September 30, 2020 ending on March 31, 2030.	Repo Rate + Spread	128.24	146.65
Total			**3,095.13**	**3,703.50**

21 OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Retention Money	55.95	58.87
Total	**55.95**	**58.87**

22 OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Government Grants	34.17	20.04
Total	**34.17**	**20.04**

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

23 PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for death benefit (Refer Note: 42)	2.63	2.99
Provision for gratuity (Refer Note: 42)	10.10	13.20
Provision for site restoration (Refer Note: 45)	157.12	63.48
Provision for contractors' charges (Refer Note: 45)	12.32	10.23
Total	**182.17**	**89.90**

24 DEFERRED TAX LIABILITIES (NET) (REFER NOTE BELOW)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability	**2,058.80**	**2,627.20**
- Depreciation and amortisation	2,058.68	2,619.22
- Others	0.12	7.98
Deferred tax asset	**868.86**	**773.16**
- Disallowance under section 43B of the Income Tax Act	34.82	50.85
- Provision for doubtful debts, advances and Expected Credit Loss	138.68	50.04
- Unabsorbed depreciation	475.19	450.31
- Others	18.53	18.93
- MAT credit entitlement	201.64	203.03
Total	**1,189.94**	**1,854.04**

Particulars	As at April 01, 2022	2022-2023			As at March 31, 2023
		Recognised in statement of profit and loss	Recognised in OCI	Recognised in other equity	
Deferred tax liability					
Depreciation and amortisation difference	2,619.22	(560.54)	-	-	2,058.68
Others	7.98	(7.86)	-	-	0.12
Total (a)	**2,627.20**	**(568.40)**	**-**	**-**	**2,058.80**
Deferred tax asset					
Disallowance under section 43B of Income Tax Act, 1961	50.85	(15.74)	(0.29)	-	34.82
Provision for doubtful debts, advances and incentive receivables	50.04	88.64	-	-	138.68
Unabsorbed depreciation	450.31	24.88	-	-	475.19
Others	18.93	(0.38)	(0.02)	-	18.53
MAT credit entitlement	203.03	(1.39)	-	-	201.64
Total (b)	**773.16**	**96.01**	**(0.31)**	**-**	**868.86**
Net deferred tax liability (a-b)	**(1,854.04)**	**664.41**	**(0.31)**	**-**	**(1,189.94)**

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

24 DEFERRED TAX LIABILITIES (NET) (REFER NOTE BELOW) (Contd.)

Particulars	As at April 01, 2021	2021-2022			As at March 31, 2022
		Recognised in statement of profit and loss	Recognised in OCI	Recognised in other equity	
Deferred tax liability					
Depreciation and amortisation difference	2,601.97	17.25	-	-	2,619.22
Others	12.02	(4.04)	-	-	7.98
Total (a)	**2,613.99**	**13.21**	**-**	**-**	**2,627.20**
Deferred tax asset					
Disallowance under section 43B of Income Tax Act, 1961	49.75	(0.45)	1.55	-	50.85
Provision for doubtful debts and advances	43.09	6.95	-	-	50.04
Unabsorbed depreciation	421.07	29.24	-	-	450.31
Others	23.70	(4.98)	0.21	-	18.93
MAT credit entitlement	195.43	7.60	-	-	203.03
Total (b)	**733.04**	**38.36**	**1.76**	**-**	**773.16**
Net deferred tax liability (a-b)	**1,880.95**	**(25.15)**	**(1.76)**	**-**	**1,854.04**

25 BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Current maturities of long term debt	1,292.27	1,045.01
Loans repayable on demand (Secured):		
Working Capital	-	170.46
Total	**1,292.27**	**1,215.47**

26 TRADE PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Due to micro and small enterprises	169.58	136.11
Due to creditors other than micro and small enterprises*	1,533.04	1,056.41
Total	**1,702.62**	**1,192.52**

* Includes acceptances

Note:

1. Includes amount payable to Niyogi Enterprise Private Limited: ₹ Nil (March 31, 2022: ₹ 2.35 crores)
2. This information on Micro and Small Enterprises 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 auditors.

Particulars	As at March 31, 2023					
	Outstanding from the date of transaction					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues-MSME	8.06	161.22	0.09	0.02	0.19	169.58
(ii) Undisputed dues-Others	213.06	1,306.30	1.65	3.66	8.05	1,532.72
iii) Disputed dues- MSME	-	-	-	-	-	-
iv) Disputed dues- Others	-	-	0.32	-	-	0.32
Total	**221.12**	**1,467.52**	**2.06**	**3.68**	**8.24**	**1,702.62**

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

26 TRADE PAYABLES (Contd.)

Particulars	As at March 31, 2022					
	Outstanding from the date of transaction					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues-MSME	4.95	130.72	0.18	0.11	0.15	136.11
(ii) Undisputed dues-Others	228.01	814.63	2.62	3.46	7.25	1,055.97
iii) Disputed dues- MSME	-	-	-	-	-	-
iv) Disputed dues- Others	-	-	0.44	-	-	0.44
Total	**232.96**	**945.35**	**3.24**	**3.57**	**7.40**	**1,192.52**

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

	Particulars	As at March 31, 2023	As at March 31, 2022
i)	The principal amount overdue and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year (including capex vendors).		
	Principal amount due to micro and small enterprises	2.18	1.30
	Interest due on above	0.13	0.03
ii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
	Principal	173.43	147.35
	Interest on above	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	2.43	1.88
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.56	1.91
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

27 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits from dealers, transporters and others	701.69	660.15
Creditors for capital expenditure	117.34	90.38
Liability for employee related expenses	76.23	64.68
Liability for Retention against revenue expenditure	76.12	60.38
Other Payable (Refer Note: 43)	-	2.36
Total	**971.38**	**877.95**

28 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Liability towards discount to dealers	243.56	213.59
Advance from customers (Refer Note: 40)	150.96	130.48
Deferred government grants	2.03	1.26
Others (including statutory dues and liabilities for expenses)	283.65	285.23
Total	**680.20**	**630.56**

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to Consolidated Financial Statements for the year ended March 31, 2023

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

29 PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (Refer Note: 42)	1.24	0.55
Provision for leave benefits	37.42	39.83
Provision for death benefit (Refer Note: 42)	0.72	0.73
Provision for indirect taxes/litigations (Refer Note: 45)	230.05	217.93
Provision for dealers' discounts (Refer Note: 45)	265.48	229.38
Provision for site restoration (Refer Note: 45)	12.25	6.05
Total	**547.16**	**494.47**

30 REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of products		
Manufactured goods	10,217.90	9,000.64
Traded goods	71.08	60.42
Other operating revenue		
Industrial promotional assistance - fiscal incentive	193.72	174.79
Provision/liabilities no longer required written back	12.18	16.70
Scrap sales	26.25	25.65
Recoveries of shortages & damages	44.52	26.38
Income from Services	20.52	13.45
Total	**10,586.17**	**9,318.03**

31 OTHER INCOME

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Gain on sale of current investments	2.32	4.52
Fair value gain on financial instruments at fair value through profit and loss	-	0.05
Interest income on bank deposits	1.55	17.65
Interest income on others	5.13	4.34
Net gain on foreign currency transaction and translation	-	3.18
Gain on sale of Investment property	-	0.26
Other non-operating income	4.21	7.22
Total	**13.21**	**37.22**

32 COST OF MATERIALS CONSUMED

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventory at the beginning of the year	100.02	62.16
Add: Purchases	1,766.39	1,546.09
	1,866.41	1,608.25
Less: Inventory at the end of the year	(101.46)	(100.02)
Total	**1,764.95**	**1,508.23**

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to Consolidated Financial Statements for the year ended March 31, 2023

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

33 PURCHASE OF STOCK IN TRADE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Construction chemicals and Others	44.33	42.02
Total	**44.33**	**42.02**

34 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Inventories at the end of the year		
Finished goods	118.10	127.70
Work-in-progress	290.83	258.26
Stock-in-Trade	2.63	2.01
Total	**411.56**	**387.97**
Inventories at the beginning of the year		
Finished goods	127.70	89.78
Work-in-progress	258.26	121.47
Stock-in-Trade	2.01	2.73
Total	**387.97**	**213.98**
Changes in inventories of finished goods	9.60	(37.92)
Changes in inventories of work-in-progress	(32.57)	(136.79)
Changes in inventories of Stock-in-trade	(0.62)	0.72
Total	**(23.59)**	**(173.99)**

35 EMPLOYEE BENEFITS EXPENSE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, bonus and wages	522.16	499.77
Contribution to provident fund and other retirement benefits (Refer Note: 42)	46.08	43.76
Staff welfare expenses	37.27	36.46
Total	**605.51**	**579.99**

36 FINANCE COSTS

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on :		
Non convertible debentures	127.66	189.66
Term loans	257.46	312.96
Security deposits from dealers, transporters and others	35.36	32.48
Others	91.42	55.75
	511.90	590.85
Less: Borrowing cost capitalised	-	(20.93)
Total	**511.90**	**569.92**

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to Consolidated Financial Statements for the year ended March 31, 2023

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

37 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation on tangible assets	715.28	706.20
Amortisation of intangible assets	127.60	123.24
Depreciation on Right of use assets	108.20	88.51
Depreciation on investment property	0.05	0.01
Total	**951.13**	**917.96**

38 OTHER EXPENSES

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Fair value loss on financial instruments at fair value through profit or loss	0.05	-
Consumption of stores & spares	211.13	180.83
Consumption of packing materials	351.43	360.65
Lease rent (Refer Note: 44)	23.38	19.58
Rates & taxes	18.80	15.29
Insurance	28.03	29.78
Repairs and maintenance to plant and machinery, building and others	115.21	106.49
CSR expenditure (Refer Note: 63)	3.66	4.07
Advertisement and sales promotions	135.73	134.81
Travelling and conveyance expenses	51.63	37.77
Legal and professional charges	27.86	21.25
Payment to auditors (Refer note below)	1.59	1.47
Bad debts written off	1.33	1.24
Donations	12.76	15.07
Provision for doubtful debts and advances	19.57	22.34
Net loss on sale/ disposal of PPE and termination of lease	0.70	2.04
Net loss on foreign currency transaction and translation	5.40	-
Equipment hire, labour and subcontract charges	306.34	252.57
Security service charges	25.04	22.58
Miscellaneous expenses	38.64	32.14
Less : Captive Consumption (Cement & Concrete)	(4.28)	(3.02)
Total	**1,374.00**	**1,256.95**
Payment to auditor (excluding taxes)		
Statutory Auditors :		
Audit fee (including quarterly limited review)	1.24	1.19
Tax audit fee	0.18	0.16
Other services	0.07	0.11
Reimbursement of expenses	0.10	0.01
Total	**1.59**	**1.47**

39 EARNINGS PER EQUITY SHARE

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit attributable to equity shareholders	15.86	32.08
Weighted average number of equity shares for Basic	35,71,56,153	34,67,74,033
Weighted average number of equity shares for Diluted	35,71,56,153	34,67,74,033
Basic earnings per share (in ₹)	0.44	0.93
Diluted earning per share (in ₹)	0.44	0.93
Face value per equity Share (in ₹)	10.00	10.00

40 REVENUE

The Group is primarily in the Business of manufacturing and sale of cement and building material products. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Group has a credit evaluation policy based on which the credit limits for the trade receivables are established. The amounts receivable from customers become due after expiry of credit period. There is no significant financing component in any transaction with the customers. The Group does not provide performance warranty for products, therefore there is no liability towards performance warranty.

In compliance with Ind AS 115, certain sales promotion schemes treated as variable components of consideration and have been disclosed as deductions from the revenue instead of other expenses.

Revenue recognised from Contract liability (Advances from Customers - Refer Note: 28)

Particulars	As at March 31, 2023	As at March 31, 2022
Closing Contract liability	150.96	130.48

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2023

Reconciliation of revenue as per contract price and as recognised in Statement of Profit and Loss:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue as per Contract price	11,606.09	10,103.70
Less: Discounts and Incentives	(1,317.11)	(1,042.64)
Revenue from sale of products as per statement of profit and loss	**10,288.98**	**9,061.06**

41 TAX EXPENSE

(a) Amounts recognised in Statement of Profit and Loss

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current income tax	3.61	44.07
Tax expense relating to earlier years*	(0.72)	8.07
Deferred tax (net)		
Origination and reversal of temporary differences	(195.13)	(22.70)
Reversal of deferred tax liabilities due to reduced tax rate (Refer Note below)	(468.86)	-
Minimum Alternate Tax credit (MAT)	-	(10.62)
Deferred tax expense	(663.99)	(33.32)
Tax expense for the year	**(661.10)**	**18.82**

* Tax expenses relating to earlier years include adjustment related to MAT credit utilisation of ₹ 1.38 crore, (March 31, 2022 MAT credit utilisation of ₹ 3.01 crore), Deferred tax credit of ₹ 1.80 crore (March 31, 2022 debit of ₹ 5.15 crore) and current tax credit of ₹ 0.32 crore (March 31, 2022 credit of ₹ 0.09 crore).

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to Consolidated Financial Statements for the year ended March 31, 2023

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

41 TAX EXPENSE (Contd.)

(b) Reconciliation of effective tax rate

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Tax Rate	**34.944%**	**34.944%**
Profit / (Loss) before tax	(645.24)	50.90
Tax using the applicable tax rate	(225.47)	17.79
Tax effect of:		
Allowances and inadmissible expenses under Income Tax Act, 1961	1.35	4.04
Adjustment related to earlier years	(0.72)	8.07
Impact of Deferred tax on tax losses	9.64	(9.99)
Reversal of deferred tax liabilities due to reduced tax rate (Refer note below)	(468.86)	-
Impact of lower tax rate on Deferred tax on provision for incentives receivables	23.29	-
Others	(0.33)	(1.09)
Tax expense as per statement of profit and loss	**(661.10)**	**18.82**
Effective tax rate	**102.46%**	**36.98%**

Note : Section 115BAA of the Income Tax Act, 1961, provides an option to an assessee of paying Income Tax at reduced rates. As the Holding Company has accumulated MAT credit entitlement available for utiltion, the Holding Company has opted for and recorded current tax expenses as per the existing tax structure. However, the Holding Company has measured its net deferred tax liabilities by applying the tax rates, as are expected to be applicable, at the time of its reversal in future. The impact of this change amounting to ₹ 468.86 crores is included in the deferred tax line item in the statement of profit and loss for the year ended March 31, 2023.

42 EMPLOYEE BENEFIT

The Group contributes to the following post-employment defined benefit plans

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Group recognised ₹ 5.56 crores ((March 31, 2022 : ₹ 6.18 crores) for superannuation contribution in the Statement of Profit and Loss. The Group recognised ₹ 20.97 crores (March 31, 2022: ₹19.49 crores) for provident fund contributions in the Statement of Profit and Loss.

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

(ii) Defined Benefit Plan:

A. The Holding Company makes annual contributions to HDFC Group Unit Linked Plan, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Gratuity*		Death Benefit	
Defined benefit obligation	(97.19)	(98.28)	(3.35)	(3.72)
Fair value of plan assets	87.38	84.53	-	-
Net defined benefit (obligation)/assets	**(9.81)**	**(13.75)**	**(3.35)**	**(3.72)**
Non-current	(10.10)	(13.20)	(2.63)	(2.99)
Current	0.29	(0.55)	(0.72)	(0.73)

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

42 EMPLOYEE BENEFIT (Contd.)

B. Movement in net defined benefit (asset) / liability

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

Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Gratuity*		Death Benefit	
Defined benefit obligation				
Opening balance	98.28	87.61	3.72	3.84
Included in Statement of Profit and Loss				
Current service cost	9.36	8.73	0.05	0.06
Past service cost	(0.42)	(0.08)	-	-
Interest cost	6.03	5.21	0.22	0.22
	14.97	**13.86**	**0.27**	**0.28**
Included in OCI				
Actuarial loss / (gain) - experience adjustments	0.21	7.01	0.14	0.32
Actuarial loss / (gain) - financial assumptions	(5.14)	(1.45)	(0.09)	(0.03)
	(4.93)	**5.56**	**0.05**	**0.29**
Other				
Benefits paid	(11.13)	(8.75)	(0.69)	(0.69)
Closing balance (a)	**97.19**	**98.28**	**3.35**	**3.72**
Fair value of plan asset				
Opening balance	84.53	78.37	-	-
Interest income	5.41	4.86	-	-
	89.94	**83.23**	**-**	**-**
Included in OCI				
Actuarial gain /(loss)	(2.66)	1.30	-	-
	87.28	**84.53**	**-**	**-**
Other				
Contributions paid by the employer	0.10	-	-	-
Benefits paid	-	-	-	-
Closing balance (b)	**87.38**	**84.53**	**-**	**-**
Represented by				
Net defined benefit asset (b-a)	-	-	-	-
Net defined benefit liability (a-b)	9.81	13.75	3.35	3.72

C. Plan assets

Plan assets comprises the following :

Particulars	March 31, 2023	March 31, 2022
	Gratuity*	
Investments with Insurer Managed Funds-ULIP products	100%	100%

* Gratuity liability pertaining to Holding company is funded. However, gratuity liability pertaining to subsidiary company is unfunded.

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to Consolidated Financial Statements for the year ended March 31, 2023

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

42 EMPLOYEE BENEFIT (Contd.)

D. Defined benefit obligations

i. Actuarial assumptions

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

	March 31, 2023	March 31, 2022
Discount rate	7.17%- 7.20%	6.40%- 7.10%
Salary escalation	7.50%	7.50%- 9.00%
Mortality pre and post retirement	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover rate (for different age groups)	4%-10%	4%-10%

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

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

E. Sensitivity analysis

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

Particulars	As at March 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	Gratuity		Death Benefit		Gratuity		Death Benefit	
Discount rate (1% movement)	6.58	16.87	(0.09)	0.10	4.98	16.17	(0.12)	0.12
Future salary growth (1% movement)	16.17	7.01	0.03	(0.03)	15.39	5.49	0.04	(0.04)
Employee turnover rate (1% movement)	11.31	11.60	(0.03)	0.03	9.63	11.06	(0.04)	0.04
Mortality pre-retirement	11.44	11.44	0.11	(0.10)	10.23	10.27	0.13	(0.13)

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

F. Maturity profile of defined benefit obligation

Particulars	March 31, 2023	March 31, 2022
Within the next 12 months	13.14	12.38
Between 1 and 5 years	56.31	57.09
Between 5 and 10 years	68.08	68.26
More than 10 years	12.66	15.81

G. Other information

Particulars	March 31, 2023	March 31, 2022
Expected employer contribution for the next year	10.00	11.00
Weighted average duration of defined benefit obligation	5 - 10 years	6 - 10 years

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

43 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

Related parties and nature of relationship

(i) Ultimate Controlling/ Holding Company

Niyogi Enterprise Private Limited

(ii) Joint Venture Company

Wardha Vaalley Coal Field Private Limited

(iii) Entities over which Promoters exercise control (with whom the Group has transactions)

Nirma Limited

Constera Realty Private Limited

Aculife Healthcare Private Limited

(iv) Entities over which Promoters has significant influence (with whom the Group has transactions)

Nirma University

Nirma Education and Research Foundation

NIDHEE Trust

(v) Key Management Personnel

Managing Director - Mr. Jayakumar Krishnaswamy

Director - Mr. Hiren Patel

Director - Mr. Kaushikbhai Patel

Independent Director - Mr. Achal Bakeri (w.e.f April 07, 2021)

Independent Director - Mr. Berjis Minoo Desai

Independent Director - Mrs. Bhavna Doshi

(vi) Relatives of Key Management Personnel

Mrs. Toralben Kaushikbhai Patel (Spouse of Mr. Kaushikbhai Patel)

Mr. Rakesh K. Patel (Brother of Mr. Hiren Patel)

(vii) Entities over which Key Management Personnel of Holding company are able to exercise control /significant influence with whom there were transactions during the year:

Bhavna Doshi Associates LLP

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to Consolidated Financial Statements for the year ended March 31, 2023

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

43 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES (Contd.)

Particulars	As at and for the year ended March 31, 2023						As at and for the year ended 31 March 2022					
	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	KMP, relatives of KMP and entities in which KMP has significant influence	Joint Venture Company	Total	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	KMP, relatives of KMP and entities in which KMP has significant influence	Joint Venture Company	Total
Details of Related Party Transactions carried out during the year												
Purchases	**-**	**0.14**	**-**	**-**	**-**	**0.14**	**-**	**0.05**	**-**	**-**	**-**	**0.05**
Nirma Limited	-	0.14	-	-	-	0.14	-	0.05	-	-	-	0.05
Sales	**-**	**5.85**	**2.44**	**0.30**	**-**	**8.59**	**-**	**5.00**	**6.88**	**0.59**	**-**	**12.47**
Nirma Limited	-	3.99	-	-	-	3.99	-	2.51	-	-	-	2.51
Constera Realty Private Limited	-	1.71	-	-	-	1.71	-	2.39	-	-	-	2.39
Nirma University	-	-	1.30	-	-	1.30	-	-	1.42	-	-	1.42
Mr. Rakesh Patel	-	-	-	-	-	-	-	-	-	0.00	-	0.00
Mr. Hiren Patel	-	-	-	0.30	-	0.30	-	-	-	0.59	-	0.59
Aculife Healthcare Private Limited	-	0.15	-	-	-	0.15	-	0.10	-	-	-	0.10
Nirma Education and Research Foundation	-	-	1.14	-	-	1.14	-	-	5.46	-	-	5.46
Finance Cost (Refer below Note: 3)	**-**	**-**	**-**	**0.65**	**-**	**0.65**	**-**	**-**	**-**	**0.65**	**-**	**0.65**
Mr. Kaushikbhai Patel	-	-	-	0.39	-	0.39	-	-	-	0.39	-	0.39
Mrs. Toralben Kaushikbhai Patel	-	-	-	0.26	-	0.26	-	-	-	0.26	-	0.26
Interest Income	**-**	**-**	**-**	**-**	**0.11**	**0.11**	**-**	**-**	**-**	**-**	**0.21**	**0.21**
Wardha Vaalley Coal Field Private Limited	-	-	-	-	0.11	0.11	-	-	-	-	0.21	0.21
Sales promotion	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00**	**-**	**-**	**0.00**
Nirma University	-	-	-	-	-	-	-	-	0.00	-	-	0.00
Loans given	**-**	**-**	**-**	**-**	**0.04**	**0.04**	**-**	**-**	**-**	**-**	**0.04**	**0.04**
Wardha Vaalley Coal Field Private Limited	-	-	-	-	0.04	0.04	-	-	-	-	0.04	0.04
CSR Contribution	**-**	**-**	**3.64**	**-**	**-**	**3.64**	**-**	**-**	**4.07**	**-**	**-**	**4.07**
NIDHEE Trust	-	-	3.64	-	-	3.64	-	-	4.07	-	-	4.07
Professional Services	**-**	**-**	**-**	**0.23**	**-**	**0.23**	**-**	**-**	**-**	**-**	**-**	**-**
Bhavna Doshi Associates LLP	-	-	-	0.23		0.23	-	-	-	-	-	-

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

43 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES (Contd.)

Particulars	As at and for the year ended March 31, 2023						As at and for the year ended 31 March 2022					
	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	KMP, relatives of KMP and entities in which KMP has significant influence	Joint Venture Company	Total	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	KMP, relatives of KMP and entities in which KMP has significant influence	Joint Venture Company	Total
IPO Expense reimbursement	**(2.78)**	**-**	**-**	**-**	**-**	**(2.78)**	**81.41**	**-**	**-**	**-**	**-**	**81.41**
Niyogi Enterprise Private Limited	(2.78)	-	-	-	-	(2.78)	81.41	-	-	-	-	81.41
Annual Maintenance Charge	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.05**	**-**	**-**	**-**	**1.05**
Constera Realty Private Limited	-	-	-	-	-	-	-	1.05	-	-	-	**1.05**
Details of Related Party balances												
Outstanding amount Receivable/(Payable)	**-**	**0.97**	**0.36**	**(0.53)**	**-**	**0.80**	**(2.36)**	**1.35**	**0.60**	**(0.25)**	**-**	**(0.65)**
Nirma Limited	-	0.55	-	-	-	0.55	-	0.90	-	-	-	0.90
Constera Realty Private Limited	-	0.40	-	-	-	0.40	-	0.45	-	-	-	0.45
Aculife Healthcare Private Limited	-	0.02	-	-	-	0.02	-	-	-	-	-	-
Mr. Hiren Patel	-	-	-	0.00	-	0.00	-	-	-	0.34	-	0.34
Mr. Kaushikbhai Patel	-	-	-	(0.11)	-	(0.11)	-	-	-	(0.10)	-	(0.10)
Mr. Berjis Minoo Desai	-	-	-	(0.11)	-	(0.11)	-	-	-	(0.11)	-	(0.11)
Mrs. Bhavna Doshi	-	-	-	(0.11)	-	(0.11)	-	-	-	(0.11)	-	(0.11)
Nirma University	-	-	0.36	-	-	0.36	-	-	(0.01)	-	-	(0.01)
Mr. Gautam Doshi	-	-	-	-	-	-	-	-	-	(0.19)	-	(0.19)
Nirma Education and Research Foundation	-	-	(0.00)	-	-	(0.00)	-	-	0.61	-	-	0.61
Mr. Achal Bakeri	-	-	-	(0.08)	-	(0.08)	-	-	-	(0.08)	-	(0.08)
Niyogi Enterprise Private Limited	-	-	-	-	-	-	(2.36)	-	-	-	-	(2.36)
Bhavna Doshi Associates LLP	-	-	-	(0.12)	-	(0.12)	-	-	-	-	-	-
Loans and Advances	**-**	**-**	**-**	**-**	**2.60**	**2.60**	**-**	**-**	**-**	**-**	**2.45**	**2.45**
Wardha Vaalley Coal Field Private Limited	-	-	-	-	2.60	2.60	-	-	-	-	2.45	2.45
Provision against the receivables	**-**	**-**	**-**	**-**	**2.60**	**2.60**	**-**	**-**	**-**	**-**	**2.45**	**2.45**
Wardha Vaalley Coal Field Private Limited	-	-	-	-	2.60	2.60	-	-	-	-	2.45	2.45

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43 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES (Contd.)

Compensation to Key Management Personnel

Particulars	Mar-23	Mar-22
- Short term	6.80	6.17
- Post retirement	0.25	0.31
- Sitting Fees & Commission	0.73	0.96
Total	**7.78**	**7.44**
Professional services availed from relative of Key Management Personnel	-	0.18

Note 1: In accordance with Section 197 and Section 198 of the Companies Act, 2013 (the "Act"), the managerial remuneration paid/payable to Managing Director of the Company for the Financial Year 2022-23 exceeded the limits prescribed under Schedule V to the Act by ₹4.97 crores. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders which the Holding Company proposes to obtain in the forthcoming Annual General Meeting.

Note 2: Provision for contribution to gratuity fund and leave encashment are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel. The expense relating to the same is shown under Note: 42-'Employee benefits expense'

Note 3: Finance costs on Non-convertible debentures held by Mr. Kaushikbhai Patel has been disclosed on payment basis. Hence, interest accrued from July 07, 2022 to March 31, 2023 amounting to ₹ 0.28 crores (March 31, 2022: ₹ 0.28 crores) is not disclosed in finance cost for the year ended March 31, 2023 and balances outstanding as on March 21, 2023. Similarly, interest accrued on Non-convertible debentures held by Mrs. Toralben Kaushikbhai Patel (close family member of KMP) from July 07, 2022 to March 31, 2023 amounting to ₹ 0.19 crores (March 31, 2022: ₹ 0.19 crores) has not been disclosed under Related party transactions and balances outstanding as on March 31, 2023.

44 DISCLOSURES REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 116 - LEASES

The following table summarises the movement of lease liabilities during the year:

Particulars	Land - Leasehold	Building	Office Premises*	Plant & Machinery	Vehicles	Total
Liability as at April 01, 2021	**12.19**	**34.20**	**40.52**	**61.89**	**0.85**	**149.65**
Additions	21.90	17.05	13.27	64.85	1.91	118.98
Interest Expense (included in finance costs)	2.59	3.52	3.86	6.64	0.19	16.80
Lease Payments	(10.49)	(25.17)	(12.12)	(50.47)	(0.67)	(98.92)
Adjustment on termination of lease	(0.98)	(6.74)	(1.45)	(0.94)	(0.02)	(10.13)
Liability as at March 31, 2022	**25.21**	**22.86**	**44.08**	**81.97**	**2.26**	**176.38**
Additions	11.23	35.25	3.77	63.68	-	113.93
Interest Expense (included in finance costs)	2.57	1.85	4.11	7.24	0.13	15.90
Lease Payments	(11.46)	(24.07)	(13.80)	(68.31)	(0.72)	(118.36)
Adjustment on termination of lease	-	(6.09)	(1.41)	(12.77)	(0.14)	(20.41)
Liability as at March 31, 2023	**27.55**	**29.80**	**36.75**	**71.81**	**1.53**	**167.44**

* Including Furniture

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

44 DISCLOSURES REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 116 - LEASES (Contd.)

The Undiscounted lease liabilities of continuing operations by maturity are as follows;

Particulars	March 31, 2023	March 31, 2022
Less than one year	85.04	88.56
Between one and five years	102.53	95.38
After five years	39.06	49.84

Lease Expenses recognised in Statement of Profit and Loss not included in the measurement of lease liabilities:

Particulars	Note Reference	Year Ended March 31, 2023	Year Ended March 31, 2022
Expense relating to short-term leases (included in other expenses)	38	23.38	19.58

45 DISCLOSURES REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 37 - PROVISIONS

Carrying amount at the beginning of the year

Particulars	Provision for Site Restotation		Provision for Dealer discount		Provision for Indirect taxes and litigations		Provision for contractors' charges		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Carrying amount at the beginning of the year	69.53	66.69	229.38	228.44	217.93	197.03	10.23	10.18	527.07	502.34
Additional provision made during the year	104.57	6.05	374.68	341.76	16.78	20.92	3.71	2.73	499.74	371.46
Amounts used during the year	(4.73)	(3.21)	(333.45)	(339.10)	(0.80)	(0.02)	(1.62)	(2.68)	(340.60)	(345.01)
Amounts written back during the year	-	-	(5.13)	(1.72)	(3.86)	-	-	-	(8.99)	(1.72)
Carrying amount at the end of the year #	**169.37**	**69.53**	**265.48**	**229.38**	**230.05**	**217.93**	**12.32**	**10.23**	**677.22**	**527.07**

This includes current and non current portion.

i. Provision for Site Restoration

The Group provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the life of the operation through depreciation of the assets and unwinding of the discount on the provision. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

ii. Provision for Dealer discount

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

iii. Provision for Indirect taxes and legal cases

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

iv. Provision for Contractors charges

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

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

46 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

The carrying amount of cash and bank balances, trade receivables, loans, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	0.05	0.05	-	-	-	-
Trade receivables	-	-	601.18	601.18	-	-	-	-
Cash and cash equivalents	-	-	192.74	192.74	-	-	-	-
Bank balances other than Cash and cash equivalents	-	-	10.41	10.41	-	-	-	-
Loans	-	-	4.08	4.08	-	-	-	-
Others	-	-	957.06	957.06	-	-	-	-
Derivative Assets	-	0.05	-	0.05	-	0.05	-	0.05
	-	**0.05**	**1,765.52**	**1,765.57**	**-**	**0.05**	**-**	**0.05**
Financial liabilities								
Borrowings	-	-	4,617.70	4,617.70	-	-	-	-
Trade payables	-	-	1,702.62	1,702.62	-	-	-	-
Lease Liabilities	-	-	167.44	167.44	-	-	-	-
Others	-	-	1,027.33	1,027.33	-	-	-	-
	-	**-**	**7,515.09**	**7,515.09**	**-**	**-**	**-**	**-**

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	185.53	-	0.05	185.58	185.53	-	-	185.53
Trade receivables	-	-	570.85	570.85	-	-	-	-
Cash and cash equivalents	-	-	103.38	103.38	-	-	-	-
Bank balances other than Cash and cash equivalents	-	-	45.71	45.71	-	-	-	-
Loans	-	-	3.93	3.93	-	-	-	-
Others	-	-	1,169.51	1,169.51	-	-	-	-
Derivative Assets	-	2.42	-	2.42	-	2.42	-	2.42
	185.53	**2.42**	**1,893.43**	**2,081.38**	**185.53**	**2.42**	**-**	**187.95**
Financial liabilities								
Borrowings	-	-	5,398.84	5,398.84	-	-	-	-
Trade payables	-	-	1,192.52	1,192.52	-	-	-	-
Lease Liabilities	-	-	176.38	176.38	-	-	-	-
Others	-	-	936.82	936.82	-	-	-	-
	-	**-**	**7,704.56**	**7,704.56**	**-**	**-**	**-**	**-**

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

46 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

B. Financial risk management

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

- Credit risk
- Liquidity risk, and
- Market risk

i. Risk management framework

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

ii. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is determined by the individual characteristics and specifications of each customer. The profile of the customer, including the market risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. For summary of the Company's exposure to credit risk by age of the outstanding from various customers refer note: 13

Expected credit loss assessment for customers

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due are still collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk. The allowance at March 31, 2023 related to several customers that may default on their payments to the Group and may not pay their outstanding balances, mainly due to economic circumstances.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	130.10	108.56
Impairment loss recognised net of reversal	13.67	21.54
Balance at the end of the year	**143.77**	**130.10**

Cash and cash equivalents

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

iii. Liquidity risk

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

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

Exposure to liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities

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46 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

As at March 31, 2023	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	6,406.74	1,655.14	1,340.22	2,638.05	773.33
Retention Money	55.95	-	3.19	52.76	-
Trade payables	1,702.62	1,702.62	-	-	-
Lease Liabilities	226.63	85.04	53.42	49.11	39.06
Other current financial liabilities	971.38	971.38	-	-	-

As at March 31, 2022	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	6,055.29	1,472.69	1,364.55	2,331.80	886.25
Retention Money	58.87	-	58.87	-	-
Trade payables	1,192.52	1,192.52	-	-	-
Lease Liabilities	233.78	88.56	41.43	53.95	49.84
Other current financial liabilities	877.95	877.95	-	-	-

iv. 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 the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

a. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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

The Group, as per its risk management policy, uses foreign exchange forward contracts to hedge foreign exchange exposure **(Refer Note: 47)**. The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	EUR	USD	EUR	USD
Accounts Payable	0.85	51.53	1.88	119.28
Net exposure	**0.85**	**51.53**	**1.88**	**119.28**

46 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

Sensitivity analysis

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

Effect in ₹ crores	As at March 31, 2023		As at March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD	(5.15)	5.15	(11.93)	11.93
EURO	(0.09)	0.09	(0.19)	0.19

Note: During the pervious year, the Holding Company has USD borrowings of $ 3.61 crores, however as the foreign currency risk arising from this borrowings has been hedged by forward contracts, the sensitivity analysis for these USD denominated borrowings has not been disclosed. Refer Note: 47 for hedged accounting disclosure.

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Total Borrowings	Floating rate borrowing	Fixed rate borrowing	Total Borrowings	Floating rate borrowing	Fixed rate borrowing
Borrowings	4,617.70	3,095.13	1,522.57	5,398.84	3,873.96	1,524.88
Total	**4,617.70**	**3,095.13**	**1,522.57**	**5,398.84**	**3,873.96**	**1,524.88**

Sensitivity analysis

Interest rate sensitivity for floating rate borrowings (impact of increase in 100 bps)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Impact in profit/(Loss) before tax	(28.03)	(36.69)

Interest rate sensitivity for floating rate borrowings (impact of decrease in 100 bps)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Impact in profit/(Loss) before tax	28.03	36.69

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

47 HEDGE DISCLOSURE

a) Details of Forward Foreign Currency Contracts outstanding at the end of the year

Particulars	Foreign currency of hedging instrument (in crores)		Value of hedging instrument (₹ crores)	Changes in fair value of the hedging instrument assets/ (Liabilities) (₹ crores) *	Maturity date	Weighted average strike price/ rate
Cash flow Hedge:						
March 31, 2023						
Buy USD: Sell ₹	USD	1.12	92.54	0.05	May 2023 to August 2023	82.53
March 31, 2022						
Buy USD: Sell ₹	USD	3.61	275.18	2.42	May 2022 to September 2022	76.27

* Included in the balance sheet under Note :17 'Other current financial assets'.

b) Hedge Accounting - Cash Flow Hedges

The Holding Company enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from borrowing including interest thereon. The forward contracts are designated as cash flow hedges. The Holding Company is following hedge accounting for foreign currency forward contracts. The Holding Company is having risk management objectives and strategies for undertaking these hedge transactions. The Holding Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Holding 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 foreign exchange forward contracts are denominated in the same currency as the highly probable forecast transaction, therefore the hedge ratio is 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. The Holding Company have used hypothetical derivative method for hedge effectiveness testing.

c) Disclosure of effects of hedge accounting on financial performance

Particulars	Changes in fair value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from Cashflow Hedge reserve to profit or loss *	Line item affected in the profit or loss because of the reclassification
March 31, 2023				
Cash flow hedge	0.05	-	(0.61)	Finance cost- Interest on term loan
March 31, 2022				
Cash flow hedge	(2.42)	-	3.03	Finance cost- Interest on term loan

* Net of unrealised exchange loss on restatement of borrowings of ₹ Nil (March 31, 2022: ₹ 10.35 Cr) and amortisation of forward premium of ₹ Nil (March 31, 2022: ₹ 7.32 crores)

d) The movement of efective portion of Cash Flow Hedges are shown below

Particulars	March 31, 2023	March 31, 2022
Opening Balance	0.61	-
Changes in fair value of effective portion of outstanding cash flows hedges	(0.05)	(2.42)
Amount reclassified to Statement of Profit and Loss	(0.61)	3.03
Closing Balance	**(0.05)**	**0.61**

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

48 CAPITAL MANAGEMENT

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

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

	As at March 31, 2023	As at March 31, 2022
Total borrowings along with accrued interest	4,617.70	5,398.84
Less : Cash and bank balances & Current Investments	(203.15)	(334.62)
Adjusted net debt (A)	4,414.55	5,064.22
Equity	357.16	357.16
Other equity	8,481.84	8,464.06
Total equity (B)	**8,839.00**	**8,821.22**
Adjusted net debt to equity ratio (A/B)	**0.50**	**0.57**

49 SEGMENT REPORTING

A. General Information

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

- Cement Division
- RMX and Other Division

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

B. Information about reportable segments

Particulars	Reportable segments				Total	
	Cement		RMX and others			
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue						
External sales	9,633.01	8,551.43	953.16	766.60	10,586.17	9,318.03
Inter segment sales	77.90	48.07	-	-	77.90	48.07
Total	**9,710.91**	**8,599.50**	**953.16**	**766.60**	**10,664.07**	**9,366.10**
Less : Eliminations	(77.90)	(48.07)	-	-	(77.90)	(48.07)
Net Revenue	**9,633.01**	**8,551.43**	**953.16**	**766.60**	**10,586.17**	**9,318.03**
Segment Results	264.31	611.63	(5.06)	(28.03)	259.25	583.60
Financial Cost					(511.90)	(569.92)
Other Income					13.21	37.22
Profit/ (Loss) before exceptional item and tax					**(239.44)**	**50.90**
Exceptional items (Refer Note: 64)					**405.80**	**-**
Profit / (Loss) before tax					**(645.24)**	**50.90**
Tax expenses					661.10	(18.82)
Profit after tax					**15.86**	**32.08**
OTHER INFORMATION						
Segment assets	17,956.90	18,525.31	770.20	807.93	18,727.10	19,333.24
Un-allocated assets	-	-	-	-	260.63	281.55
Total Assets	**17,956.90**	**18,525.31**	**770.20**	**807.93**	**18,987.73**	**19,614.79**
Segment liabilities	3,992.55	3,197.87	296.43	285.52	4,288.98	3,483.39
Un-allocated liabilities	-	-	-	-	5,859.75	7,310.18
Total Liabilities	**3,992.55**	**3,197.87**	**296.43**	**285.52**	**10,148.73**	**10,793.57**

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to Consolidated Financial Statements for the year ended March 31, 2023

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

49 SEGMENT REPORTING (Contd.)

Particulars	Reportable segments				Total	
	Cement		RMX and others			
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Capital Expenditure						
Tangible assets	513.55	326.50	5.58	9.54	519.13	336.04
Intangible assets	92.11	8.72	0.00	0.02	92.11	8.74
Depreciation / Amortisation	885.48	872.01	65.65	45.95	951.13	917.96
Other non cash expense/ (income)	9.98	33.79	12.49	(0.16)	22.47	33.63

C. Geographic information

All assets of the Group are domiciled in India. Further the Group does not have any single customer contributing more than 10 % of revenue. The Group does not have any revenue from exports.

50 CONTINGENT LIABILITIES

Contingent Liabilities not provided for in respect of:

	As at March 31, 2023	As at March 31, 2022
i. Claims against the Group not acknowledged as debts: -		
a. Disputed demands in respect of Sales Tax/VAT/GST by various tax authorities	78.65	62.46
b. Disputed demand in respect of Entry Tax by various tax authorities	26.25	23.57
c. Disputed demand in respect of Excise Duty*	21.64	24.31
d. Disputed demand in respect of Service Tax	13.38	7.26
e. Stamp Duty paid under protest for change of name from GKW to LRCL	-	1.80
f. Disputed demands in respect of Custom duties	14.44	14.44
g. In respect of Income Tax	329.03	329.03
h. Other claims	38.69	25.07
Against these, payments under protest/adjustments made by the Group	130.37	132.22

* The Supreme Court in its judgement dated November 27, 2019 in case of Civil appeal no. 10193 of 2017 Commissioner of central Excise Vs M/s Madras Cements Limited. along with the Holding Company, dismissed the appeal filed by the Commissioner of Central Excise. Accordingly, the Holding Company is now entitled to concession rate of excise duty for sales made to Institutional consumer or industrial consumer. The Holding Company believes that identical matters amount to ₹ 4.90 Cr (March 31, 2022: ₹ 83.47 Cr) pending before various forums are squarely covered by the aforesaid judgment of the Hon'ble Supreme Court and treated as remote.

ii. (a) The State of Chhattisgarh had filed a Revision Application challenging the adjudication order of the District Registrar and Collector of Stamps, Janjgir - Champa w.r.t assessment of the stamp duty in the relation to instruments executed pursuant to Business Transfer Agreement (BTA) dated August 26, 2000 entered between Raymonds Limited (Raymonds) and Lafarge India Limited. The Holding Company has not been made party to the said litigation by the State. During the year, Raymonds has informed the Company that Revenue Board, Raipur passed an order revising the stamp duty assessments in the aforesaid revision application and the order passed by the Revenue Board has been challenged before the Hon'ble High Court of Chhattisgarh which is admitted by the Hon'ble High Court. Raymonds has filed an application seeking modification of the interim order dated October 7, 2021 for submission of Bank-guarantee in lieu of pre-deposit.	Amount not determinable	Amount not determinable

49 CONTINGENT LIABILITIES (Contd.)

	As at March 31, 2023	As at March 31, 2022
(b) The Collector of Stamps, Raipur has commenced enquiry proceedings under Section 47 (A)(3) of the Indian Stamp Act, 1899 questioning the amount of stamp duty paid by The Tata Iron and Steel Company Limited (TISCO) on transfer of the immovable properties at Sonadih from TISCO to the Holding Company. The Holding Company has filed a Writ Petition in the Hon'ble High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court.	Amount not determinable	Amount not determinable
The Holding Company's liability, if at all arises, in both the above cases, is restricted to 50% by virtue of business transfer agreement between Lafarge and Raymond Limited/ TISCO.		
iii. The Subsidiary Company had availed stamp duty exemption as available under the Chattisgarh Industrial Policy, 2009-2014, subject to commencing of operations of the plant within a period of 5 years which could not be completed due to delay in land possession by the concerned State Authority, against which the office of the collector of stamps, Baloda Bazar, Chattisgarh has issued a demand notice on account of stamp duty (including interest and penalty). Since the delay was not due to any reasons attributable to the Subsidiary company, the matter was appealed before the Hon'ble High Court of Chattisgarh, which in turn has redirected the case to Board of Revenue, Bilaspur. The Board of Revenue dismissed the revision filed by the Subsidiary company and upheld the order passed by the Collector of Stamps, Baloda Bazar, Chattisgarh. The Subsidiary company has appealed before Hon'ble High Court of Chattisgarh against order of the Board of revenue. The Hon'ble High Court of Chattisgarh stayed the recovery order passed by collector of stamp till final decision on the writ petition.	0.44	0.44

iv. In August 2016, the Competition Commission of India (CCI) passed an Order levying a penalty of ₹ 490.00 crore on the Holding Company in connection with a complaint filed by the Builders Association of India against leading cement companies (including the Holding Company) for alleged violation of certain provisions of the Competition Act, 2002. The Holding Company had filed an appeal against the Order before the Competition Appellate Tribunal (COMPAT). The COMPAT had passed an interim order directing the Holding Company to pre-deposit 10% of the penalty amount, and granted stay on the remaining 90% of the penalty amount subject to the condition that in case appeal is finally decided against the Holding Company then Holding Company shall be liable to pay interest @ 12% p.a on the said 90% penalty amount stayed pursuant to the interim order. The pre-deposit of 10% of the penalty amount was accordingly made pursuant to the orders of COMPAT. COMPAT was replaced by the National Company Law Appellate Tribunal (NCLAT) effective May 26, 2017, and NCLAT vide its judgment dated July 25, 2018, dismissed the Holding Company's appeal and upheld the CCI's order. Against the above judgment of NCLAT, the Holding Company appealed before the Hon'ble Supreme Court, and vide its order dated October 05, 2018, the Hon'ble Supreme Court admitted the appeal of the Holding Company and directed continuation of the interim order as originally passed by the COMPAT.

The Holding Company under the Share Purchase Agreement ("SPA") is indemnified by erstwhile promoter group for loss arising from claims/ demands in case penalty is upheld by Hon'ble Supreme Court. However, the erstwhile promoter has disputed their obligation towards indemnification of any amount including interest beyond the cap of ₹ 490.00 crore. Hon'ble Delhi High Court vide its order dated December 06, 2021, preserved the liberty of the Holding Company to invoke appropriate legal recourse in case such a need arises in future in the event of a dispute in relation to SPA to claim any consequential interest demand beyond the cap, subsequent to disposal of the pending appeal against CCI penalty demand before Hon'ble Supreme Court.

Based on the reimbursable rights available with the Company duly backed by legal opinion, no provision against the CCI order of ₹ 490.00 crore or interest thereon is considered necessary.

v. **Particulars**	**As at March 31, 2023**	**As at March 31, 2022**
For bank guarantee	343.76	426.75
For Letter of Credit	350.81	157.09

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to Consolidated Financial Statements for the year ended March 31, 2023

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

51 CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Estimate amount of contracts remaining to be executed on capital account and not provided for (net of advances)	136.67	187.77

52 RATIOS

Sr. no	Particulars	As at March 31, 2023	As at March 31, 2022	Variations	Reasons
(a)	Current ratio (times) [Current assets / Current liabilities*] *excluding current maturities of long term borrowings	0.63	0.75	-16.21%	
(b)	Debt/ Equity ratios (times) [Total debt*/ Equity] * net of restricted bank balance to be utilised as per the object of the offer.	0.52	0.61	-14.64%	
(c)	Debt Service Coverage ratio (times) # [(Profit after tax + finance cost+ Depreciation+ non-cash operating expenses) / (Interest paid+ lease payments+ Repayment of long term debt)]	1.12	0.54	106.25%	Debt service coverage ratio is increased manily on account of higher repayments of borrowings during last year
(d)	Return on Equity Ratio [Profit after tax/ Equity]	0.18%	0.40%	-54.78%	Return on equity is reduced manily on account of lower net profits after tax during the year.
(e)	Inventory turnover ratio (times) [Sales of Product / Avg. inventory]	9.71	10.18	-4.59%	
(f)	Debtors turnover ratio (times) [Sales of Product / Avg. net trade receivable]	14.23	14.34	-0.79%	
(g)	Trade payables turnover ratio [Purchases / Avg. net trade payable]	1.25	1.54	-18.82%	
(h)	Net capital turnover ratio [Revenue from sale of product and services / Working Capital*] * (Current Assets less current liabilities excluding current borrowings)	(7.09)	(10.59)	-33.08%	Net capital turnover ratio is decreased manily on account of increase in net working capital during the year.
(i)	Net profit ratio [Profit after tax / Revenue from sale of products]	0.15%	0.35%	-56.44%	Net profit ratio is reduced mainly on account of lower net profit during the year
(j)	Return on Capital employed @ [Earning before Interest and Tax/ Capital Employed*] *(Total Assets less Current Liability)	1.99%	4.11%	-51.53%	Return on capital employed is decreased mainly on account of lower EBIT (earnings before interest and taxes) during the year
(k)	Return on investment [Income generated from Investment/ Total Average Investments]	2.50%	1.60%	55.60%	Return on investment is higher mainly on account of Average investments during the year.

@ Excluding exceptional item

\# Excluding exceptional item and one time impact of deferred tax

53 ADDITONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013.

Name of the Entity	As at March 31, 2023					
	Net Assets, i.e. total assets minus total liabilities		Share of Profit/ (Loss)		Share of Other comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit/(Loss)	Amount	As a % of consolidated Other comprehensive income	Amount
Parent						
Nuvoco Vistas Corporation Limited	101%	8,983.85	569%	90.17	29%	0.56
Subsidiaries						
Nu Vista Limited	4%	335.24	-895%	(141.90)	71%	1.35
Joint Ventures (Refer note below)						
Wardha Vaalley Coal Field Private Limited	-	-	-	-	-	-
Adjustment on account of consolidation	-5%	(480.09)	426%	67.59	-	-
Total	**100%**	**8,839.00**	**100%**	**15.86**	**100%**	**1.91**

Name of the Entity	As at March 31, 2022					
	Net Assets, i.e. total assets minus total liabilities		Share of Profit/ (Loss)		Share of Other comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit/(Loss)	Amount	As a % of consolidated Other comprehensive income	Amount
Parent						
Nuvoco Vistas Corporation Limited	101%	8,893.11	172%	55.16	96%	(3.27)
Subsidiaries						
Nu Vista Limited	5%	475.76	89%	28.60	4%	(0.15)
Joint Ventures (Refer note below)						
Wardha Vaalley Coal Field Private Limited	-	-	-	-	-	-
Adjustment on account of consolidation	-6%	(547.65)	-161%	(51.68)	-	-
Total	**100%**	**8,821.22**	**100%**	**32.08**	**100%**	**(3.42)**

Note: The above figures are before eliminating intra group transactions. The loss of Joint venture not recognised for in books is ₹ 0.29 crores (March 31, 2022: ₹ 0.08 crores). The group's interest in joint venture has been reduced to zero and the group does not have any legal or constructive obligations or made payments on behalf of joint venture.

Significant Judgment : Existence of joint control and classification of joint arrangement

The joint venture agreement in relation to Wardha Vaalley Coal Field Private Limited require unanimous consent from all parties for all relevant activities, hence there is a joint control. Further the parties having joint control have the rights to the net assets of the joint arrangement. Hence it has been classified as joint venture.

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to Consolidated Financial Statements for the year ended March 31, 2023

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

54 RELATIONSHIP WITH STRUCK OFF COMPANIES

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022
Shweta Estate Private Limited	Advance from customer	-	(0.21)
Shubhlaxmi Stock Management Private Limited	Payable	-	(0.06)
Pavco Concrete Services Private Limited	Receivable	-	0.04
Sadguru Silo Services OPC Private Limited	Receivable	-	0.06
Y M Landmark Private Limited	Receivable	-	0.64

55 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

56 DETAILS OF BENAMI PROPERTY HELD

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

57 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Holding Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

58 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM: :

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) 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

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   (a) 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

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

59 QUARTERLY RETURNS AND WILFUL DEFAULTER :

(i) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(ii) The Group has not been declared as a wilful defaulter by any banks or financial institutions.

60 UNDISCLOSED INCOME

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

61 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

62 The Holding Company had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of ₹ 12.22 crores (March 31, 2022 ₹12.22 crores) on Damodar Valley Corporation (DVC) towards their share of the capital expenditure on such Fly Ash classifier in terms of the agreement, which along with certain operational settlements are currently under discussion with DVC. Pending resolution on the matters, the Holding Company has not recognised the above claims in its books. Further, the management is confident that the use of the Fly Ash classifier and operational settlements shall be amicably resolved with the party.

63 As per the limit specified under Section 135 of the Companies Act, 2013, the Holding Company was required to spend ₹ 4.33 crores (March 31, 2022 ₹ 4.07 crores) during the year on account of Corporate Social Responsibility (CSR). The actual amount spent during the year amounts to ₹ 3.66 crores (March 31, 2022 ₹ 4.07 crores). Nature of CSR activities includes Sangrahit Bharat (Natural Resource Management), Swasth Bharat (Health), Shikshit Bharat (Education), Saksham Bharat (Livelihood and Skill Development) and Sanrachit Bharat (Rural Infrastructure Development). Refer Note: 43 for contribution to related party in relation to CSR expenditure.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Amount required to be spent by the Company during the year	4.33	4.07
(ii) Amount of expenditure incurred	3.66	4.07
(iii) Excess spent brought forward from FY 2020-21	1.35	1.35
(iv) (Excess spent)/ Shortfall at the end of the year [(iv)=(i)-(ii)-(iii)]	(0.68)	-
(iv) Amount carried forward to next year	0.68	1.35

64

(a) The Holding Company availed Industrial Promotional Assistance for Mejia Cement Plant (MCP) from the Government of West Bengal under the West Bengal Incentive Scheme 2004 with effect from April 23, 2008. The outstanding claim balance as on March 31, 2023 is ₹ 427.14 crores (March 31, 2022: ₹ 427.14 crores). The authorities disputed the claim of the Holding Company, pursuant to which, the Holding Company filed a writ petition against the Industry, Commerce & Enterprise Department, Government of West Bengal during the year 2017-18 in the Honourable High Court of Calcutta (High Court). The High Court passed an order on June 27, 2018 directing Principal Secretary of the State of West Bengal to re-consider the claim and contention lodged by the Holding Company. The Additional Chief Secretary to the Government of West Bengal had rejected the Holding Company's claim for incentive vide order dated March 18, 2019, following which the Holding Company has filed a writ petition against said Order in the High Court of Calcutta on July 25, 2019. The Holding Company, based on advice of legal counsel, is confident of the ultimate recovery of the balance accrued till date.

However, considering the lapse of time and uncertainty about the timing of the recovery of incentive amount, the Holding Company on a conservative basis has recorded a provision for time value of money amounting to ₹ 238.22 crores determined on the basis of Expected Credit Loss methodology as per Ind AS 109 'Financial Instrument'. The same has been disclosed under 'Exceptional item' in the financial statement.

(b) The subsidiary company had applied for Industrial Promotional Assistance related to its Panagarh Cement Plant (PCP) under the West Bengal State Support for Industries Scheme, 2013 (WBSSIS, 2013) and has been granted preliminary registration certificate (RC-I) as an eligible unit on June 27, 2017. Grant of final registration certificate (RC-II) is pending. In view of long pendency of the matter and inaction on the part of the concerned state authorities, the subsidiary company has filed writ petition before Hon'ble High Court of Calcutta on March 28, 2022 against the state's Department of Industries and West Bengal Industrial Development Corporation ("WBIDC"). On December 8, 2022, the Hon'ble High Court of Calcutta has passed an order stating that the subsidiary company has complied with all the requirements in clause 5.3 of the policy for issuance of RC-II. Accordingly, the subsidiary company submitted the letter for grant of RC-II along with the copy of the order passed by Hon'ble High Court to concerned authorities. The subsidiary company is now awaiting issuance of RC-II by the Directorate of Industries ("DI") in compliance with the order of Hon'ble High Court of Calcutta. The subsidiary company has been presently accruing the value of incentives to the extent of 80% of the net SGST paid to the Government based on its internal assessment and legal advice received. As at March 31, 2023, total incentives accrued is ₹ 300.47 crores (March 31, 2022: ₹ 224.57 crores), including ₹ 75.90 crores accrued during the year ended March 31, 2023 (March 31, 2022: ₹ 57.70 crores). The subsidiary company, based on advice of legal counsel, is confident of the ultimate recovery of the balance accrued till date.

However, considering the uncertainty about the timing of the recovery of incentive amount, the subsidiary company on a conservative basis has recorded a provision for time value of money amounting to ₹ 167.58 crores determined on the basis of Expected Credit Loss methodology as per Ind AS 109 'Financial Instrument'. The same has been disclosed under 'Exceptional item' in the financial statement.

65 **Disclosures pursuant to securities and exchange board of India (Listing obligations and disclosure requirments) Regulations, 2015 and as per Companies Act 2013:**

Loan to Joint venture:	March 31, 2023	March 31, 2022
Wardha Vaalley Coal Field Private Limited		
Balance (including accrued interest) as at the year end	2.60	2.45
Maximum amount outstanding at anytime during the year	2.60	2.45
Provision against the receivables	2.60	2.45

(Wardha Vaalley Coal Field Private Limited has utilised the loan for its working capital requirement. The loan is repayable after one year at interest rate of 9% p.a.)

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to Consolidated Financial Statements for the year ended March 31, 2023

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

66 LOANS OR ADVANCES IN THE NATURE OF LOANS

Particulars	March 31, 2023	March 31, 2022
Loan to Joint Venture:		
Wardha Vaalley Coal Field Private Limited	2.60	2.45
Repayable on demand	Yes	Yes
Percentage to the total Loans and Advances in the nature of loans	38.92%	38.46%

67 During the previous year, the Holding Company had completed Initial Public Offer (IPO) of 8,77,19,297 Equity Shares of the face value of ₹ 10/- each at an issue price of ₹ 570/- per Equity Share. The Equity Shares of the Company were listed on August 23, 2021 on BSE Limited and National Stock Exchange of India Limited.

The details of utiltion of IPO proceeds are as under:

Object of the issue	Total amount as per prospectus	Utilised up to March 31, 2022	Balance unutilised as on March 31, 2022 *	Utilised up to March 31, 2023	Balance unutilised as on March 31, 2023
(a) Repayment, Prepayment, Redemption of outstanding borrowings of the Company	1,350.00	(1,350.00)	-	-	-
(b) General corporate purposes	150.00	(146.30)	3.70	(3.70)	
Total	**1,500.00**	**(1,496.30)**	**3.70**	**(3.70)**	-

* Balance out of Initial Public Offer (IPO) proceeds is retained in IPO escrow account which was utilised during the current year for the purpose as stated in the prospectus.

68 The Code of Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.'Government of India's code for social security 2020 (the code) received the assent from the president in September 2020. However, the date from when the code will become applicable and the Rules have not yet notified. The Group will assess the impact of the code and account for the same once the effective date and rules are notified.

69 The figures of the previous year have been regrouped/reclassified wherever necessary to conform to current year's classification.

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

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Siddharth Iyer
Partner
Membership No. 116084

Place : Mumbai
Date : May 9, 2023

For and on behalf of the Board of Directors of
Nuvoco Vistas Corporation Limited
CIN: L26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Bhavna Doshi
Director
DIN: 00400508

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : May 9, 2023